

28 Feb. 1831.

P. Gordon, Esq.

assistant to the magistrate, said, "You are sent for to know by what authority you are in these districts."

905. Did you make any answer?—I replied, "I request to see the copy of the warrant for my arrest."

906. In fact, you answered the questions by putting of a question to the magistrate, and did not give him any answer to his questions?—I did so, as I understand it is the birthright of a Briton not to be put on any trial or interrogatory until a specific charge is brought against him.

907. Was not the charge against you specific; namely, that of residing without a license within the district?—To this hour I have not seen any such charge.

908. You mentioned an appeal to Sir Thomas Munro in the year 1826; did you receive no answer to any of your applications?—I have received two letters from the honourable the Governor in Council of Fort St. George.

909. Will you state the contents of that dated the 6th of February 1827?—I do not find it.

910. Did you receive any communications from the governor, or any of his officers, on the 6th of February 1827, to this effect; that if the collector had dealt illegally with you, he was amenable for it to the zillah court in which you resided?—Yes, I did receive that letter.

911. What did you do upon receiving that letter?—I replied to it:

No. 2.—"A. Chamier, Esq., Acting Revenue Secretary of the Government, Fort St. George.

"SIR:

"Vepery, 14th of February 1827.

"I am honoured with your letter of the 6th instant. I begged of government that I might receive information concerning the constitution and regulation of the chank fishery of Ramnad: your reply seems for this information to refer me to the printed copies of the regulations. I beg to state, that in those regulations I find implied prohibitions of such monopoly, but no shadow showed of sanction for it. I beg the honourable the Governor in Council will be pleased to cause inquiry into the existing monopoly of chank shells under the presidency, also into the powers of a renter at Ramnad for the support of a monopoly of chanks."

912. What steps did you take in consequence of this communication from the government at Madras, directing you to prefer your complaint to the zillah court?—In the first place, my belief is that the reference was against the act of Parliament, 53 Geo. III.; and with the permission of the Committee I will produce the opinion of Mr. Robert Cutlar Fergusson, advocate-general of the Company, on this point, as submitted to him by the Bengal government, concerning the possibility of one European impleading another in the courts of the Company.

913. Have you got that opinion?—I can produce it.

914. How long had you resided at Ramnad without a license from the government?—From the beginning of 1823 until the end of 1827.

915. You

3 March 1831.

M. Gisborne, Esq. 1048. Had the exports of raw cotton from Bengal to Europe increased or decreased during your stay?—During the time of my stay they had rather increased, but previously they had been much larger.

1049. In what manner is cotton cultivated and brought into the market of Calcutta; have Europeans any share in the culture of it?—No; I believe that is entirely carried on by natives. The Europeans who deal in it have merely the collection of it, and perhaps the further cleaning of it after it comes into their possession, and the packing of it for export.

1050. Could cotton be exported from India to this country unless it was screwed and packed by English machinery?—No, it could not be sent unless it was compressed to a much smaller compass than it is in at the time of the purchase.

1051. Is that done by an hydraulic press?—It is by a screw-press. They have hydraulic presses at Bombay, I understand, but they have not at Calcutta.

1052. What is the quality of Bengal cotton compared with American?—It is much inferior to the lowest kind of American.

1053. In what respect?—In shortness of staple, and being so much more dirty than American cotton is.

1054. Have those defects been remedied at all within the last few years?—No, they have not been remedied in the culture: the dirtiness of it has been partially remedied by great care in the selection, when Europeans have purchased it.

1055. Do you know of any attempt by an European to cultivate cotton?—I never knew of any extensive attempt. A friend of mine, who resided at Benares, got a few seeds, I believe, of Brazil cotton, and cultivated them in his garden there for two or three successive years, and produced three bales of cotton at last, which he sent down to Calcutta for shipment for England. I was to have shipped them to Liverpool, but they arrived too late for the vessel I had, and they were sent to London, where he informed me that they sold for a shilling a pound, at the time that Indian cotton generally was between four-pence and five-pence.

1056. Has the quantity of sugar increased or decreased?—The quantity of sugar has rather increased.

1057. What causes have prevented its greater increase?—Its quality is so inferior, generally, to West-India sugar, that it cannot be brought into competition extensively with that.

1058. Why?—Because the grain is inferior; it is so imperfectly manufactured; the grain of it is so much less; it is so much less perfectly freed from impurities in the manufacture.

1059. Is it naturally inferior owing to the climate, or only from the defect of the manufacture?—I am told that the sugar-cane is as good in Bengal as in

7 March 1831.

J. Ritchie, Esq.

1228. Has the commercial intercourse between Bombay and the United Kingdom increased, or otherwise, since the opening of the trade to this country?—It has increased very considerably, I think.

1229. What are at present the principal staple articles of import from Great Britain into Bombay?—Metals of all descriptions, woollens, cottons, and cotton-yarn.

1230. On your first arrival at Bombay in the year 1816, was the consumption of British cotton fabrics then considerable?—It was very trifling.

1231. What number of Indian merchants in the habit of dealing in British piece goods, were there in the bazaar of Bombay, when you arrived at that place in 1816?—Only one. I understand that question to refer to a retailer from the importer.

1232. Had you much difficulty in disposing of your early investments?—Yes, we had, and principally from that circumstance.

1233. By what means, or owing to what causes, has the consumption since become so considerable?—I think the great cheapness is the principal cause of the increase of consumption, the very low price at which we can now afford them from this country.

1234. Is it in any respect owing to the pains which have been taken to adapt them to the wants of a particular consumption?—Certainly, to some extent: we make the goods now exactly to imitate the native goods.

1235. Were you witness to the first importation of British cotton-yarn into Bombay?—Yes, our house were the first importers.

1236. When did that take place?—I think it must have been in 1819 or 1820.

1237. Can you inform the Committee in any one year what have been the exports from Great Britain to Bombay, of British cotton piece goods?—I have the account of them, both to Calcutta and Bombay, for the years 1829 and 1830.

[The Witness delivered in the same, which was read, as follows:]

COTTONS:

EXPORTS of Goods and Yarn to Calcutta, in 1829 and 1830.

| — | Yards Plain and Coloured Cottons. | Yards Prints. | Pounds of Yarn. | £. |
|----------------|-----------------------------------|---------------|-----------------|----------|
| 1829..... | 13,354,984 | 2,599,876 | 1,912,066 | 655,462 |
| 1830..... | 14,905,685 | 3,441,110 | 3,774,799 | 798,756 |
| Increase | 1,550,701 | 841,234 | 1,862,733 | £143,294 |

EXPORTS

EXPORTS to Bombay.

7 March 1831.

J. Ritchie, Esq.

| — | Yards Plain and Coloured Cottons. | Yards Prints. | Pounds of Yarn. | £. |
|----------------|--------------------------------------|---------------|-----------------|---------|
| 1829..... | 12,795,321 | 4,304,439 | 734,479 | 570,626 |
| 1830..... | 17,005,333 | 4,151,119 | 496,200 | 618,174 |
| Increase | 4,210,012 | — | — | £47,548 |
| Decrease | — | 153,320 | 238,279 | — |

1238. Are British and other European metals imported into Bombay and Calcutta?—Very largely, every ship almost is ballasted with them.

1239. When was the article of spelter first imported into Bombay?—I think in 1822.

1240. How was Bombay supplied with spelter before that?—From China, with tutenague, a description of spelter; it is rather a finer description of the same article.

1241. The effect of the importations of spelter has been to drive the China tutenague out of the market, has it not?—Entirely, on our side of India.

1242. In what part of the British territories or neighbouring countries are the British and European manufactures imported into Bombay principally consumed?—They are principally consumed at the presidency, at Surat and other large towns within our own territories: a considerable quantity has latterly gone to Malwa.

1243. Are they carried up the country?—Yes, a very considerable quantity has gone latterly. We have a considerable export to Persia and other places on the Red Sea, and the Arabian Gulf.

1244. Are they sent to Malwa in return for opium?—They are principally, that was the origin of the trade.

1245. You returned from England to India in 1823, by the route of Georgia and Persia, did you not?—I did.

1246. In passing through Georgia and Persia, did you find that the people consumed British manufactures, and if so, of what description?—In the southern part of Persia from Ispahan, the bazaars were quite filled with British manufactures, printed goods principally; in the northern parts they were supplied with German and French goods.

1247. Did you find any British manufactures in Georgia and Tabriz?—None, they were all French and German.

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1248. Were the markets of Georgia and Tabriz as well supplied with the French and German goods as the southern markets of Persia were with British? —There appeared to be abundance enough in the bazaars, but they were either of a much finer or a much coarser description than our goods.

1249. How were they with respect to price?—Comparatively much dearer.

1250. Were they worse adapted to the wants of the people?—From being so much dearer, they were, and not exactly the patterns and descriptions required.

1251. In what years did you visit Malabar and the internal provinces of the southern part of India?—In 1819 and 1820.

1252. Did you find the bazaars well stocked with British manufactures?—No, none at all.

1253. Were the bazaars of the British territory in the southern part of India you have visited, as well supplied with British manufactures as the bazaars of Persia were?—I did not see any British manufactures in Malabar, or any of the southern parts of the Madras territory.

1254. To what do you ascribe their absence at the time?—Our goods had scarcely got down that length, probably. They were very well supplied with their own manufactures, and our goods at that period cost a great deal more than they do now.

1255. What do you conceive to be the relative condition of the Persian peasantry, compared to that of the peasantry of the British territories in the south of India?—I should conceive the cultivators are pretty much alike in point of comfort.

1256. Was not the Persian government then exceedingly bad, and the country in a state of great confusion and anarchy?—It was, at the time I was there, and has been in a much worse state since, I understand.

1257. When were you there?—I was there in 1822-3.

1258. Did you conceive that the British cotton goods you saw in the south of Persia were supplied entirely from Bombay?—Entirely. I met our own goods all through the country, from Ispahan downwards; I knew them.

1259. What is the port they are sent to from Bombay?—We send them to Bushire.

1260. What returns do you get?—Principally bullion; latterly silk in large quantities from the province of Ghilan in the north of Persia.

1261. Have you exported any British manufactures from Bombay to China?—We have, a small quantity.

1262. Has the large importation of cotton piece goods from Great Britain proved injurious to the corresponding native manufactures?—I should think it must, in some degree.

1263. In

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE OF THE HOUSE OF COMMONS

ON THE

AFFAIRS OF THE EAST-INDIA COMPANY,

IN THE LAST SESSION OF PARLIAMENT;

AND ALSO

THE ACCOUNTS AND PAPERS;

LAI'D BEFORE THE SAID COMMITTEE.

L O N D O N :

PRINTED BY ORDER OF THE HONOURABLE COURT OF DIRECTORS,

By J. L. Cox, Great Queen Street, Lincoln's-Inn Fields.

1831.

1263. In what way?—We have no imports whatever now into Bombay of muslins from Bengal. 7 March 1831.

J. Ritchie, Esq.

1264. Have any well authenticated instances of distress, produced by the Indian weavers being thrown out of employment in consequence of the introduction of English goods, come within your knowledge?—None to my own knowledge; but I have heard that the weavers at Surat have been much distressed in consequence, and have taken to other employments.

1265. Must not the large importation of British cotton-twist have proved in some degree a substitute to the Indian weaver for the loss of work he has sustained by the importation of the manufactured article?—It has, no doubt, to some extent.

1266. During your acquaintance with Bombay, from 1816 to 1830, had the importation of raw silk from China, Bengal, and Persia, increased, or otherwise?—I cannot speak positively as to the Bengal or China silk, but from Persia it has increased very much indeed.

1267. May not this increased importation of raw silk have afforded new employment to the cotton weavers thrown out of work by the importation of British goods?—It probably has, to some extent; but the silk weaving is carried on at Ahmedabad only.

1268. Where is Ahmedabad?—It is in the northern district of Guzerat, under the Bombay government now.

1269. Is that far from Surat?—Probably two hundred miles.

1270. You are probably aware that it has been frequently stated, that but for the discovery of the saw-gin, it would have been impracticable to have carried the production of upland cotton in America to the extent which it has now reached?—I have been told so; but that machine is for separating the cotton from the seed.

1271. Would not the introduction of a cotton of which the wool adhered with less tenacity to the seed, be in itself a considerable improvement upon the present one?—It would, no doubt, if it was practicable.

1272. You returned from India last year, did you not, by the route of Egypt?—I did.

1273. Had you an opportunity of seeing the cultivation of cotton by the Pacha; and if so, in what manner was it conducted, and what is the nature and character of the cotton?—I examined many of the cotton fields in passing through Egypt; the cotton was sown in drills, as I believe is the custom in America.

1274. Is it black seed, long stapled cotton?—It is.

1275. How does it rank in comparison with American cottons in our market?—It is worse than the Sea Island cotton, better than the Upland cotton.

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7 March 1831.

—
J. Ritchie, Esq.

1276. Why does not it rank so high as the Sea Island cotton?—I believe the staple is not so long or so fine, and it is probably much dirtier.

1277. Is it consistent with your knowledge, that the Pacha of Egypt has of late been manufacturing cotton-twist by European machinery?—Yes, I particularly examined one of his mills in full work, at Ghennah on the Nile.

1278. Is that moved by water?—No, it is driven by cattle.

1279. Under whose directions were the works conducted, and how many labourers were employed?—There was a native Mussulman at the head of an establishment of about five hundred boys and girls employed in the mill.

1280. Did you examine the quality of the twist?—I did.

1281. How was it in point of respective numbers?—It was a low numbered yarn, strong, but very unequal.

1282. Have you heard that this twist has been exported to British India?—It has, since I left India.

1283. What opinion do you entertain of this speculation on the part of the Pacha of Egypt?—I should not think it could pay him.

1284. Was it sold in India at a lower price than the British cotton-yarn?—It had not been sold at the last accounts from India: it was not liked by the natives, it was not so well put up.

1285. Do you know the price which was asked?—I do not know that they had gone even that length: they have been examining it, but the prices offered had been very low, lower than for English yarn.

1286. Have you heard that a cotton-mill has been erected at Calcutta for spinning yarn?—There has.

1287. Do you consider that this speculation will answer?—It will require, I think, to be very well and very economically managed to do so.

1288. What are the relative qualities of the Chinese, Bengal, and Persian silks brought into the market of Bombay?—They are all a low quality of silk as required for the Bombay manufacture, the Persian is the lowest I believe in the scale.

1289. Has the quantity of Persian raw silk imported into Bombay and re-exported into England increased of late years?—Very much.

1290. To what circumstance do you attribute the origin of this new branch of trade?—It has come down as returns for our British manufactures principally, I believe: the imports of Ghilan silk into Bombay have been all within these ten years.

1291. Do you consider the import into this country as a consequence of the reduction of duties?—Certainly.

1292. Is it not imported into Bombay for the purpose of being sent into this country?—There is a great consumption of coarse silk at Ahmedabad, within the Bombay territories: I have known 1,000 bales in one import, frequently, from Persia.

1293. Did

| | |
|---------------------------|--------|
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1293. Did the firm to which you belong make any efforts towards the improvement of Indian cotton, in culture and preparation for the market?—We did. 7 March 1831.
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1294. In what way?—We imported cotton seeds from the Brazils and from America.

1295. Are not you aware that similar attempts have been made in other parts of the Company's territories to improve the cotton?—Yes.

1296. Did any of those experiments of your's succeed?—They did not.

1297. To what do you ascribe their failure?—The cotton deteriorated very much in some of the experiments, in others the seeds did not well come up. In one case, where we had the greatest expectation, in Salsette, the small crabs on the beach destroyed the green plants of the Sea Island cotton as soon as they came up.

1298. Do you know whether the plant was left to the charge of natives, or placed under the superintendence of agents acquainted with the culture of American cotton?—There was no person personally acquainted with the culture of American cotton then on our side of India.

1299. Are you not aware that Salsette has produced some very fine cotton?—Yes, I have seen some samples. Our cotton seed was also tried at Bandoop, and there failed.

1300. Was not Dr. Scott's, in Salsette, considered equal to Bourbon cotton?—I believe it was; but that estate was abandoned before I went to India.

1301. Do you know any other place in which fine cotton is produced for exportation?—I merely know of one on our side of India; that is a village near Manyrole in Kattywar, called Labarcoire, which produces a small quantity of very fine cotton.

1302. By whom is that cultivated?—By natives entirely.

1303. Is that of recent introduction?—They have always produced it there, but it has been but recently brought to this country. We imported some in 1819, but never were able to trace where it came from till two or three years ago; since that time, probably, the imports into this country are from 100 to 150 bales a year. What we sold in this country brought very nearly fifty per cent. more than the common cotton of Guzerat.

1304. Was the price there much above the common cotton?—At first we got it at nearly the same price; but as it became known, the price was raised so as to become equal in proportion to its relative value.

1305. Can it be increased?—I understand it cannot be much increased. It appears to be only grown in one particular spot, but I have never been there.

1306. Is this an extensive district?—Very small where this particular cotton is grown. Manyrole produces a very large quantity of cotton.

1307. Is it near the sea-coast?—It is, I believe.

1308. Had

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1308. Had the East-India Company ever discovered this cotton, and brought any of it to view?—No, I do not think they had. I do not know that it is within their territory; I rather think it is in the territory of a native prince.

1309. At what distance is it from Bombay?—Probably from two to three hundred miles.

1310. How is it brought to Bombay?—By boats: all the cotton to Bombay is brought by boats.

1311. Do not you think that Salsette is capable of producing a vast quantity of cotton, if sufficient encouragement were given by Government?—I do not think that it would pay, at the present prices of cotton.

1312. If encouragement were given by the Government, allowing those who chose to make experiments to have the land for a certain number of years rent-free, instead of exacting a very heavy rent?—That would certainly be a very great encouragement. Latterly the government have given large tracts of land in Salsette in several farms, to natives, within the last two years, for the encouragement of agriculture.

1313. Is the cotton plant in that country an annual?—Almost entirely.

1314. Did you make any trial of American machinery for freeing cotton from the seed?—The government did. I recollect being present at a trial about ten or twelve years ago, of applying the saw-gin to Bombay cotton.

1315. Will you state the result of that experiment?—It was not successful; the machinery ground up the seed with the cotton. Our cotton adheres strongly to the seed.

1316. Does not this prove that there is a material difference between the one description of cotton and the other?—I believe the seed in the Surat cotton adheres much more strongly to the fibre than it does in the American cotton.

1317. Have the Hindoos or other natives of India, as far as your experience extends, evinced any indisposition to the consumption of staple British commodities, other than that arising from inability to purchase, or unsuitableness of the article offered to them, to their tastes and habits?—None other than I am aware of.

1318. In what manner did you make your returns to Great Britain for the manufactures you imported from thence?—In produce of all descriptions, in bullion, and in bills; and we used to send produce round by China, and advance on cottons going to China, and send opium also to China.

1319. How did you get your returns from China?—From China our returns went in bullion, bills, and in silk.

1320. To this country?—Yes, and to Bombay.

1321. Was that exporting in Company's ships?—The bullion and bills for England went in the Company's ships, but our produce came to Singapore or Bombay, brought in country ships.

1322. What

MINUTES OF EVIDENCE.

Jovis, 17^o die Februarii, 1831.

Sir HENRY PARNELL, Bart. in the Chair.

THOMAS BRACKEN, Esq. called in, and examined.

17 Feb 1831.

1. You are a partner in the house of Messrs. Alexander and Company, of Calcutta?—I am.

T. Bracken, Esq

2. How long have you actually resided in India?—Fifteen years.

3. How long have you been returned to England?—About two months.

4. How many large and old-established houses, of the same description as that with which you are concerned, are there in Calcutta?—Five or six of the old houses.

5. Have any new commercial establishments been formed in Calcutta since the opening of the free trade in 1815?—Yes, there have been several; I should think twelve or fourteen.

6. What is the general nature of the business carried on by establishments like your own?—Agency and banking in all its different branches, advances of money for commercial purposes.

7. Do you act as consignees also for shipments of goods from London?—Yes, for shipments of goods from London and the out-ports.

8. To what other countries do your mercantile transactions extend?—China, and all parts of India, America, France, the Persian Gulf, and sometimes to Holland and Denmark; but to a very small amount in the latter countries.

9. Is there any trade to South America?—Very little; that has fallen off very much of late years.

10. Has the commerce to Calcutta increased since your first acquaintance with it?—Very considerably.

11. To what do you attribute that increase?—To the greater facilities afforded by the opening of the trade.

12. Can you furnish the Committee with any statement showing the increase of the trade of Calcutta since the opening of the free trade?—I have a memorandum extracted from a publication which has lately been printed in Calcutta, compiled by Mr. Wilson, in the Company's service. In his capacity of assay-master he was required by the Government to make an inquiry into the quantity of bullion exported from and imported into Cal-

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1322. What produce do you allude to?—We ourselves only imported silk in that way; but nankeens, sugar, cassia, and other produce, are largely imported as returns to Bombay.

1323. Is any use made of American or other foreign ships for that purpose?—No, I never knew any.

1324. Will you describe the character of the cotton commonly exported from the west side of India?—It is called, with reference to American cotton, a short stapled cotton. In general it is very dirty, and latterly it has been very much injured by the natives in adulterating it with water and sand before it came down to Bombay from Surat, and other shipping ports to the northward.

1325. In respect to quality as estimated by price, how does it stand in reference to the ordinary cottons imported from America?—It is the lowest of all.

1326. How much below the common American upland cotton?—The general run of Surat cotton is probably fifteen per cent. lower than the general run of upland cottons.

1327. Do you believe that much of that difference of price arises from the defective mode of cleaning it, or that it is inherent in the natural quality of the two descriptions of cotton?—A great part of the difference is in the comparative state of cleanliness between the two.

1328. If you were to take a small piece of one cotton, and of the other, perfectly clean, would there be still a difference of value between the one and the other?—Between the cleaned Bombay cottons, and the best cleaned American upland cottons, I conceive there would be ten to fifteen per cent. difference.

1329. There is a real difference in the intrinsic value of the article, independent of any skill of management?—I think there is.

1330. You stated, that it was not possible to clean the Indian cotton with the same machinery as you clean the American cotton?—Not with the saw-gin, certainly; we never clean cotton with the saw-gin.

1331. Is it possible with any machinery to render the Bombay cotton as clean from the seed as the American?—Yes, I have seen Bombay cotton as clean as any American cotton.

1332. By what process?—By picking it clean from the bushes originally. The machinery does not effect the cleaning of it; the machine is only used to take away the seed, it must be picked clean.

1333. Does not the greater part of the dirt which exists in the cotton arise from the imperfect clearing away the seed?—No, it is leaf principally, and sand as well as seed, left in by carelessness or design.

1334. Are you not aware that within the last two years, the quality of what is called Surat cotton has been very much improved, in consequence of

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 ———
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cutta; during that inquiry he had access to the Custom-house records with respect to all other articles of trade, and he was induced to publish a book on the commerce of Bengal. It contains the imports and exports of every description of merchandize, from 1813-14 to 1827-28. I have an extract from that work before me now.

13. Have the goodness to deliver it in.

[*The Witness delivered in the same, which was read as follows:*]

IMPORTS and EXPORTS of Calcutta, for the Fifteen Years ending in 1827-1828.

| YEARS. | IMPORTS. | | EXPORTS. | |
|---------|-------------|--------------|-------------|--------------|
| | Rupees. | £. sterling. | Rupees. | £. sterling. |
| 1813-14 | 2,12,00,000 | 2,120,000 | 5,39,00,000 | 5,390,000 |
| 1814-15 | 2,61,00,000 | 2,610,000 | 5,61,00,000 | 5,610,000 |
| 1815-16 | 3,44,00,000 | 3,440,000 | 6,66,00,000 | 6,660,000 |
| 1816-17 | 5,84,00,000 | 5,840,000 | 6,99,00,000 | 6,990,000 |
| 1817-18 | 6,85,00,000 | 6,850,000 | 7,81,00,000 | 7,810,000 |
| 1818-19 | 7,62,00,000 | 7,620,000 | 7,09,00,000 | 7,090,000 |
| 1819-20 | 5,65,00,000 | 5,650,000 | 6,95,00,000 | 6,950,000 |
| 1820-21 | 4,52,00,000 | 4,520,000 | 6,71,00,000 | 6,710,000 |
| 1821-22 | 4,67,00,000 | 4,670,000 | 7,79,00,000 | 7,790,000 |
| 1822-23 | 4,30,00,000 | 4,300,000 | 8,71,00,000 | 8,710,000 |
| 1823-24 | 3,88,00,000 | 3,880,000 | 8,04,00,000 | 8,040,000 |
| 1824-25 | 4,04,00,000 | 4,040,000 | 7,75,00,000 | 7,750,000 |
| 1825-26 | 3,60,00,000 | 3,600,000 | 7,60,00,000 | 7,600,000 |
| 1826-27 | 3,40,00,000 | 3,400,000 | 6,80,00,000 | 6,800,000 |
| 1827-28 | 4,15,00,000 | 4,150,000 | 8,73,00,000 | 8,730,000 |

14. What is a crore?—A crore is about a million of pounds.

15. What proportion of the trade of Calcutta is carried on with Great Britain?—The proportion with Great Britain is about seven-tenths of the whole trade.

16. Has that been increasing or decreasing since the commencement of the free trade?—It has increased. I think, in the opening the trade, the proportion was about five-tenths; it is now seven-tenths.

17. What are the principal imports from Great Britain and other countries?—Of late years cotton piece-goods and twist, and metals of every description (spelter is now very largely imported), and woollens.

18. Is the consumption of British cotton goods daily increasing among the inhabitants of India?—I think it is, very considerably.

19. Do they get them cheaper than their own manufactures?—Certain descriptions

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of regulations by the government in preventing the adulteration of it?—Within the last four or five years, the cotton usually imported into Bombay has come in a very adulterated state, being mixed with sand and water. Strong representations were made by the trade to the government to endeavour by regulations to prevent this. A regulation was made which came into operation in May in 1830, fixing penalties upon all proprietors of cotton found in that state, and confiscating the cotton so found adulterated; since that time the cotton has been comparatively clean again, and free from adulteration.

1335. Has it not, in consequence, produced a corresponding rise in price in China as well as in this country?—It has, certainly.

1336. Is not the Surat cotton you have described applicable only to the coarser manufactures of this country?—Generally so.

1337. Is not therefore the demand for it in this country, whatever might be the extent of supply, limited?—It is becoming, I apprehend, a much more useful cotton in our manufactures than it was. They now mix it in spinning the finer cottons, which they did not do formerly; they use it more generally in the mills of this country than they did formerly.

1338. If the quantity could be very extensively increased from India, would it answer the manufacturing purposes in this country to which American and West-India cottons are applied?—I should think it would very materially interfere with the consumption of the low American cottons.

1339. You stated, that it was owing to penalties and liability to confiscation, this cotton was improved?—Yes, as far as the purposed adulteration went.

1340. Would not that be better effected in the ordinary state of things, by interesting private individuals to cultivate it, and bring it to market?—The cultivation had been quite free up to this period.

1341. The question supposes that individuals possessing capital will engage in the cultivation of cotton in India; do you not imagine that, under those circumstances, it would be their interest to bring the cotton in the best state to market?—Certainly.

1342. And that, therefore, penalties and regulations would not, under those circumstances, be necessary?—Certainly not.

1343. Have not the natives of India great dislike to the adoption of our machinery?—Certainly they have, they dislike all changes.

1344. Does not that go even to the extent of their refusing to use our small ploughs which have been sent out to India, and still adhering to their own wooden plough?—That has not come within my own knowledge. I remember hearing of an English plough that was sent to Colonel Ford's estate at Dapoorie, near Poonah, but I am not aware it was ever used anywhere else, or even found useful.

1345. Is

descriptions of manufactures they do, but not the very lowest kind, at present. I think the very common and coarse cloths they make cheaper themselves; but the middling and better description, for instance, what are called the Dacca muslins, are very much dearer than the Manchester piece-goods.

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20. Is that a description much worn by the natives?—Yes, it is used very largely.

21. What description of natives?—Every one that can afford it: chiefly those above the very lowest use the English piece-goods; shopkeepers and persons that possess a little property.

22. Do the lower classes of the Indians wear any of our manufactured produce?—Of late years they have worn a particular kind of cloth, or handkerchief, which has been sent out from Manchester, and which has been sold very cheap indeed; and they get them cheaper than corresponding cloths of their own manufactures made of cotton, and coloured.

23. In patterns, or plain colours?—Sometimes patterns, and sometimes plain.

24. How are they worn?—They wear them over their heads and shoulders, and also round their waists sometimes.

25. With respect to cotton yarn imported into India, is that worked up into low-priced cloths?—It is; but there are different numbers of the twist imported: some is used for the better classes of cloths.

26. Is the import of cotton twist increasing?—Yes; it has increased amazingly within these few years; in fact, it was unknown a short time since in Calcutta.

27. Is it also used in sewing and making up cloths?—As thread, it is; that is of a different description.

28. Is the thread and the yarn the same thing?—Not quite: the former is of a finer description; differently spun.

29. In travelling through distant parts of India, have you met with British goods in the bazaars and market-places?—I have never been much in the upper provinces; but I have been in them and at Bhurtpore, and the western parts of India. I have seen English manufactures exposed in the bazaars or markets there, and also at Lucknow; I have seen imitation shawls in great quantities.

30. Shawls made of what?—Of cotton, I believe.

31. When you saw the shawls exposed for sale, were there Cachmere shawls also?—They were to be procured, but at much higher prices. There are shawl merchants who travel about the country.

32. When did the import of cotton twist first commence?—I do not think there was any great quantity before 1824 or 1825.

33. Can you state the quantity of cotton twist that has been imported of late years?—The work to which I have alluded, drawn out from the custom-house records at Calcutta, states that fact. By this publication, the value of

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1345. Is it not within your knowledge, that even to this day they use cattle for the treading the corn?—Yes, I have seen that operation going on.

1346. Do you conceive that the natives of India dislike any change that is obviously for their own advantage, and which they can understand to be for their own advantage?—There is great difficulty in persuading them that changes are for their advantage.

1347. Do you not conceive that they are more indisposed to change than any people in the world?—I have seen some certainly in my travelling about the world very difficult to be persuaded to changes, but I should think the natives of India were the most so.

1348. Did not you say that the poorer people are most indisposed to change?—I should say so.

1349. What provinces in India produce the best cotton?—Guzerat.

1350. When you speak of India, you are speaking of the whole peninsula of India?—Yes, the eastern side of the gulf of Cambay

1351. Have you resided in any part of India but Bombay?—Not as a permanent residence; I have visited them.

1352. Is the cotton cultivated in drills as in America, and is there much pains taken in the cultivation?—No, it is broadcast, sown pretty much as corn is in this country.

1353. Is there care taken of it afterwards?—There is no care taken of it afterwards, except to keep the cattle out of it.

1354. It is very much neglected from the time it is sown till it is picked?—Very much so.

1355. Is the Indian a green seed short stapled cotton, and an annual plant?—It is.

1356. In the parts of India you visited is there no black seed long stapled perennial cotton cultivated?—None whatever.

1357. Have you had an opportunity of seeing any garden cultivation of cotton of a superior kind?—I saw at Ahmedabad the red flowered cotton, called by the natives noorma, in small quantities, a perennial.

1358. That grows on a highish bush?—Yes; the common cotton of India is the yellow flowered cotton.

1359. Has any improvement taken place in the quality of the Surat or Bombay cotton since the opening of the free trade?—Certainly not, until the adoption of the regulation I have referred to: the cotton in 1818 and 1819 was better than any I have seen since.

1360. Is that improvement you mention an improvement in the cleanness of the cotton, or in the nature of the cotton itself?—In the cleanness entirely. I do not think there is any improvement in the cotton itself.

1361. What is the description of machinery used by the natives of India in

17 Feb. 1831. cotton twist imported in 1827 and 1828, was about nineteen lacks of rupees; in the following year it increased considerably. Mr. Wilson has not gone so far as that, but I am prepared to state that that was the case. In 1829-30 it fell off again; but for the three years of 1827-28, 1828-29, and 1829-30, the value was about seventy lacks of rupees, making about twenty-three lacks of rupees each year.

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34. Do you conceive that the great importation of cotton fabrics from Great Britain has materially interfered with the native manufactures?—Very considerably.

35. Has it produced distress among the weavers and artizans?—Not to the extent that might have been supposed; for the weavers are also cultivators, and they turn their labour from one employment to the other without that shock, perhaps, which might be expected in other countries.

36. Are not the weavers employed in working up the cotton twist from England?—Some of them; but a great many of them have become cultivators.

37. How was the yarn supplied before the importation of cotton twist from England?—By the women chiefly.

38. Was there any machinery applied to it?—None. There are now spinning and weaving mills established in India.

39. With respect to the weavers of Dacca muslins; do you know any thing of their condition, in consequence of this increased importation of British goods?—At first they were thrown out of employment, but most of them turned their attention to the land as ryots, and some of them have been employed by indigo planters, who have spread in that neighbourhood, particularly of late years.

40. Were they of the same class as the ryots before?—The weavers are almost always ryots.

41. Has not the importation of Indian silk piece goods greatly increased since the opening of the free trade?—I believe it has; but I do not exactly know the proportionate increase.

42. Can you state any new articles imported into India from the countries of Europe since the opening of the free trade?—The spelter and cotton twist may be considered the most important. Of late years there has been a large importation of wine, particularly of Sherry, which was a novelty in the Indian market.

43. Spelter is what is commonly called zinc?—It is.

44. What is the Indian name for it?—It is of the same quality almost as tutenague, but not quite so good; that was chiefly imported from China, but has now entirely ceased.

45. To what purposes is the spelter commonly applied?—It is for making pots and pans, and cooking utensils of every description.

46. Are

7 March 1831. in cleaning cotton from the seed?—It is a small hand-gin, a wooden cylindrical machine, named a churkee.
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1362. Is it the same as they have used from time immemorial?—It is the same as they have used from time immemorial, the same as is used for clearing the Sea Island cotton of its seed in America.

1363. Does the wool adhere with great tenacity to the seed, and is the process of separation tedious and expensive?—Yes; and it adheres so firmly that the American saw-gin ground up the seed in attempting to clear it.

1364. Did that arise from the seed being too ripe when the cotton was picked?—No, I believe it is the nature of the cotton; it adheres very tenaciously.

1365. Do you know whether any improvement would take place in cotton, provided it were picked at a different period?—I conceive it would be picked cleaner if it were picked as the pods separately became ripe, which I believe is the case in America.

1366. Are there any lands producing cotton in the hands of Europeans at present?—None that I am aware of at the present moment.

1367. In the cultivation there is no change?—None. The attempts which have been made since I have been in India have been all unsuccessful, independent of that now made by government in Guzerat; but that has just been established. What that can do has not been yet ascertained.

1368. If Europeans were permitted to settle there, do you apprehend that farms for the production of cotton would be cultivated by Europeans?—They might; but as far as they have gone yet, they have not been successful. I have known two or three attempts.

1369. Do you conceive that a fair trial has been given?—As far as those attempts went, I think they have been very fair trials. The late Dr. Gilder, of Ahmedabad, had a large piece of ground, called the Shahibaag, given him for experiments in cotton and other products.

1370. Do you mean given in perpetuity?—No, for a time, I believe; as long as he chose to continue those experiments.

1371. By whom?—By government; lent to him by government rent-free.

1372. Was he in the Company's service?—He was; but he had given up promotion, and was allowed to trade; he was the civil surgeon at Ahmedabad.

1373. Did he lay out much capital in these experiments?—He must have done so: we furnished him with seed.

1374. Did he get any other person to instruct the natives in the preparation?—He was there personally, had his partners, one of whom was a white person born in the country.

1375. Are you aware of any other instance of this nature?—The late Mr. David Malcolm tried it to a small extent.

1376. Where

46. Are those pots ^{worked} up in India?—Generally they are, I believe some have been made up in this country, and have sold very well; but I only speak of that from hearsay. 17 Feb. 1831.
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47. Have not they imported some pots of that kind made of iron?—I do not think I have seen any made of iron, ~~not~~ for the purposes which I particularly allude to, for cooking; the natives prefer brass to any other; copper and spelter and tin together, make the composition.

48. Are the brass pots in great demand with the natives?—They are. There is scarcely a native that has not one of them, and also a sort of a large plate or platter.

49. Will you state to the Committee the staple articles of export from Bengal?—Indigo, sugar, saltpetre, and cotton at one time; but that has fallen off very much, and raw silk.

50. Is grain exported much?—There is a good deal of grain exported to different parts, and at one time large quantities were sent to the coast; that has almost ceased, except in cases of famine. There is a large trade in grain with the Isle of France, which is now almost entirely supplied from India with rice.

51. What is the amount and value of indigo annually exported from Bengal at present?—It is almost difficult to say, it varies so much with the price in the Calcutta market; I should say from two to three millions sterling. It depends so much upon the price here, which of course influences the Calcutta valuation.

52. Can you state the quantity?—That is very uncertain too, but I think the average is about 120,000 maunds a year; sometimes more, sometimes less.

53. To what countries is it chiefly exported?—Chiefly to England, some to America, some to France (the consumption of France has increased of late years), and some small quantity to the Persian Gulf.

54. What becomes of that which goes to the Persian Gulf?—It goes into Persia, and, I believe, into some parts of the Russian territory; there is no very large quantity sent there.

55. Is the firm with which you are connected extensively engaged in the culture of indigo?—Yes.

56. Have you any accounts which show the outlay and returns for any given period?—I have a small memorandum here, showing the result of the operation of fifty-six indigo factories in various parts of Bengal, Behar, and Benares, most of which have been under our agency, or in which we were interested, for the last six years. The gross amount of outlay during that time has been 1 crore and 77 lacs, or £1,770,000, the returns have been 2 crore and 20 lacs, or £2,200,000. The average yearly outlay, without including interest or commission, has been 31 lacs, and 93,000 rupees, or £319,300; the average yearly return has been 39 lacs, 81,000 rupees, or £398,100; the gross profit upon that is 7 lacs, 96,000 rupees, or £79,600.

57. What

1376. Where was that?—At Amboly on Salsette.

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1377. Are these experiments still in progress?—No, they have been both given up; they were not successful.

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1378. Was any impediment thrown in their way by any of the authorities of the Company?—None whatever, every facility was given them by government.

1379. You consider the experiments to have been as fairly tried as if there had been a free permission to settle in India?—Certainly.

1380. When were these experiments made?—Dr. Gilder's were probably during the last twelve years.

1381. How long did he continue?—Two or three years, I think: he attempted to grow finer cottons, and he found that they deteriorated.

1382. Dr. Scott's attempts were thirty years ago?—Yes, his estate was a wilderness when I was there.

1383. Have you compared the cotton produced on that experimental farm?—Yes, it was very superior cotton, but it did not pay; the cultivation was too expensive.

1384. To what extent superior?—The first year's crop of long stapled cotton was very good; the second was worse; and the third became very nearly the same quality as our common cotton.

1385. So that the superiority was in the introduction of the new seed?—Yes, which deteriorated in a succession of crops.

1386. Would it not be possible to improve the general quality of cotton in India by a constant importation of new seed?—I presume that would be possible, but I do not think it would pay.

1387. Is cotton seed an article of any expense?—It is difficult to bring it in sound, it heats on a long voyage.

1388. What is the average of Surat cotton at the present market price in England?—Probably, the fair run of Bombay cotton would average five-pence a pound.

1389. Can you state to the Committee what diminution of that price would make it no longer worth while to bring it to this country altogether?—At the present moment it pays a fair profit.

1390. Would it at four-pence pay a profit?—No, there would be money lost by it.

1391. Would it cease to be imported at a profit when at four-pence?—Yes, at the present rate of freights.

1392. Would it at four-pence halfpenny?—I think four-pence halfpenny would pay, as a matter of remittance, but that would be all.

1393. Might it still be imported at lower prices by diminishing the price of the cost in India, or would its cultivation cease?—I believe the prices of cotton,

17 Feb. 1831. 57. What would be the net profit?—I have not got a statement of that, but I should think a deduction might be made of eighteen or twenty per cent. for charges and interest of money.
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58. What number of indigo factories may there be throughout the Bengal provinces?—I should think from three to four hundred factories.

59. Have not the natives of India lately begun to imitate the European process of manufacturing indigo?—They have.

60. Have they invested large funds in it?—Yes, largely. There are a great many small factories.

61. Is the indigo manufactured by natives, without European assistance, equal in quality to that manufactured by Europeans?—Certainly not; in general it is very inferior.

62. Are you acquainted with the article called lac dye?—I have seen it; I know very little of it myself.

63. Is not that a recent introduction, as an object of commercial speculation?—Not very recent; as long as my knowledge goes it has existed; it has been used more of late, but the prices have been very discouraging.

64. Is it used for dye?—It is used for dyeing; the colour is an orange-red, I think.

65. Is the firm of which you are a member in any way connected with Europeans engaged in the production of raw silk?—Not now, or very lately; we have been engaged in it, but not to any great extent.

66. Why did you discontinue it?—In consequence of the difficulties we found to exist from the competition of the Company's commercial agents, which rendered it a hazardous speculation.

67. Do you know whether the other great firms in Calcutta are in the habit of making advances to planters and others?—Indigo planters they are.

68. Have they also made advances to those engaged in the preparation of raw silk?—That I cannot state. Generally speaking, the commercial residents themselves are dealers in silk, and have their business transacted in Calcutta by the agency-houses; I do not think it is often that men, not connected with commercial agency, are in the habit of making advances.

69. Is not the great obstacle to that branch of commerce in the hands of the private merchant, that he is obliged to enter into competition with the Company's servants?—Certainly.

70. Do the Company's agents possess any peculiar advantages over the private trade in that respect?—I do not believe they do now. There was a regulation, by which a certain priority of claim was given to the Company's contracts with the ryots, and the people who receive advances; but I think that regulation has been recently rescinded.

71. Was it a right of pre-emption?—No; the one I allude to was, where a native took an advance from an individual, and subsequently took one from the
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cotton, by the last account from Bombay for the previous six or eight months, are lower than I ever knew them in India.

1394. Are the prices approaching to that rate when it would be no longer grown to a profit?—I understand it is almost as low as it can be cultivated at.

1395. What freight is it paying?—Five pounds a ton, and to five guineas; that comes to very near a penny a pound.

1396. Is that a high or a low rate?—I believe the usual descriptions of free-trade ships can afford to sail at that rate; a small quantity of one cargo has recently brought sixpence a pound in Liverpool.

1397. Are you aware whether, in consequence of the regulations in respect of adulteration of cotton, the price has been increased or otherwise?—Certainly not: the price has been lower during the last six months in India, than ever I knew it.

1398. Is cotton taken at all in payment of revenue?—Not at all now.

1399. When did that cease?—I think it ceased on Mr. Elphinstone coming to the government, in 1820.

1400. By whom is the cotton purchased on your account from the ryots?—I believe, in general, it passes from the ryot to the native shroff of the village, who has advanced money upon it: it often comes to Bombay upon his account.

1401. Have you any agent of your own in the cotton districts?—We had, as long as Gilder's house existed; they were our agents in the districts.

1402. Was that gentleman at that time employed in the collection of the revenue?—No, not at all.

1403. What per centage did you pay?—Five per cent. for a number of years: latterly he lowered his commission to three per cent. on all his purchases for us.

1404. At present you get it through the medium of natives?—Yes. Latterly there has been very little cotton brought to the northward on European account; we allow it to be brought on native account to Bombay, and purchase it there.

1405. Do you find many of those natives whom you can trust with your transactions?—Yes.

1406. And the cotton delivered to you would correspond with the sample?—We purchase it by sample, and examine almost every bale. When the deterioration went on to such an extent, we were obliged to examine every bale in two or three places, it was so false packed.

1407. Had you any confidence in those who brought it down?—No, none at all.

1408. Are the shroffs generally a low class of persons?—They are not of a low caste, the shroff caste is not a low one.

1409. They

the Company's agent, the individual could not receive his money or its value back, until all claims on the part of the Company had ceased.

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72. Was it rescinded in consequence of repeated applications upon the subject?—It was rescinded in consequence of memorials sent to the local government or the Court of Directors, and they directed that it should be rescinded.

73. Supposing the East-India Company were to cease altogether to carry on trade in silk, is it your opinion that the silk trade of India would increase under the exertions of individuals?—My opinion is, certainly, that it would.

74. Will you state your reasons for that opinion?—I conceive that the mode by which the Company transact their business enhances the price very considerably. They do not enter into it as a mercantile speculation, but as a mode of remittance.

75. Would the quality of the silk be improved if the trade were directed by individuals instead of the Company?—I do not see any reason why it should not.

76. Do the Company carry it on more extensively than individuals?—They do now.

77. Are not the Company and individuals upon equal terms?—Now they are.

78. Then if the Company carry it on more extensively than individuals, how is it that individuals do not now succeed in their speculations in silk, and beat the Company out of the market?—Because, whenever it is known that the Commercial Resident of the Company is in the market, the price is raised beyond what an individual would think it prudent to give. The Company's agent is not so much influenced by such considerations, and he complies with the price affixed.

79. Is it not the case, that with respect to every article of commerce, when the Company's agents are known to be in the market, the price of it rises?—Unquestionably, I think it has that effect.

80. Are you aware of any instances in which the sales in England of articles so purchased by the Company, at an enhanced price in India, have been below the rate at which they purchased in India?—I have no particular instance immediately in my recollection; but I imagine that in many instances, in sugar and silk, they must have sustained heavy losses.

81. Must not that materially interfere with any commercial speculations carried on by the private merchants?—I think it interferes prejudicially with the private merchant, certainly.

82. Would it not tend to derange all the speculations he might form under other circumstances?—I do not think at present he would be inclined, as the system now is, to go into the market as a competitor, from the impression that

1409. They are the principal men in the village?—Yes, I believe so.

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1410. Are there any extensive merchants engaged in the trade?—Very much so; very rich natives at Dollora, Jamborin, Surat, and other great shipping northern ports.

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1411. In those cases, do you conceive the regulations of government against the adulteration of cotton to be necessary or not?—I do not conceive that any of those respectable men would do it, but that underlings would if they were not looked after, to whom they are obliged to delegate that duty.

1412. Are you aware that a constant change, both of seed and soil, is necessary for the successful cultivation of cotton?—I am not aware that it is practised in India: on the contrary, I believe that the cotton-lands have been so for a very great extent of time.

1413. Might not the deterioration you mention arise very much from the circumstance of its being grown so long on the same soil?—I cannot say exactly: the lands where the experiments I allude to were made, are generally fresh lands, and not long under cotton.

1414. In passing through Persia, had you an opportunity of witnessing the culture of the mulberry, and the rearing of the silkworm?—No, the preparation of silk is entirely confined to the province of Ghilan on the Caspian Sea.

1415. Did you understand that there was a great exportation of this raw silk to the countries to the westward and northward of Persia?—Yes, very extensively to Russia and Turkey.

1416. Is there any sugar produced from the cane for exportation within the Bombay provinces?—None for exportation.

1417. Is not the sugarcane cultivated in almost all the provinces of the Bombay territory?—Yes, everywhere; I have seldom seen a village but what had a patch of sugarcane attached to it.

1418. Can you explain the reason why sugar is not made from the cane in the manner immemorially practised in the Bengal provinces?—I suppose that they can import it cheaper. It is never made into sugar on our side; it only goes the length of juggaree, which is a thick substance like molasses. Sugar is brought in from Bengal, China, Manilla and Mauritius, and Java occasionally.

1419. Is machinery for the manufacture of sugar wholly unknown under the Bombay presidency?—Totally unknown; there is no manufacture of sugar in the Bombay presidency.

1420. Does that observation apply to the whole of the western side of India?—I believe so, as far as my knowledge extends.

1421. Is tobacco extensively produced in Guzerat, or other parts of the Bombay territory?—Extensively in the northern districts generally, and I believe throughout all our territories.

1422. Of

17 Feb. 1831. — that he would have to pay a higher price for the raw produce than it would be prudent for him to give.

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83. What effect do you imagine that derangement of commercial speculation on the part of the private trader has upon the natives of India, beneficial or otherwise?—I conceive that at present the native weaver, for instance, or the persons employed by the Company's agents, benefit by the prices that the Company give; they benefit in one way, certainly, because they get a higher price probably than it would be worth the while of a private individual to give.

84. Although some individuals may benefit, has it not a tendency to contract commercial speculations considerably?—I think it has; it acts as a premium upon the particular produce, and enhances its cost.

85. Does not it tend to limit the demand of that production of the country?—I think it does.

86. Do Europeans, in any part of the country you are acquainted with, enter into the culture and manufacture of sugar, or the culture and preparation of cotton?—Not that I am aware of, in the immediate cultivation of it; they purchase it generally in the bazaars. They do not superintend the actual growth of cotton, but they make advances to the ryots, both for sugar and cotton.

87. What, according to your opinion, is the cause which prevents the Europeans from engaging in the culture and manufacture of sugar, in the same manner in which they engage in the culture and manufacture of indigo?—Sugar is supposed to require a much greater dead stock to make it than indigo, and a greater outlay at first. With respect to indigo the outlay is annual, and the buildings are comparatively of small value. With respect to sugar, a large extent of country would be required under the control of an European, and he would have to erect very expensive and substantial buildings, and to erect machinery at great cost.

88. Do you know what the sort of machinery now is by which the manufacture of sugar is carried on?—It is very inferior to the West-India process; but within these late years, I understand, one or two sugar-mills have been sent out from England to India, but I have not seen any sugar that was made by them; indeed, I do not believe they were erected when I came away.

89. Are you aware that a large number of sugar-mills have been sent out to the Mauritius?—Yes, I understand they have, and steam-engines connected with them.

90. Are you acquainted with the process of making sugar in India?—Not personally.

91. Is it grown in large quantities by any individual?—No; I believe each ryot has a certain number of begahs.

92. What

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1422. Of what quality?—Very fine. We imported some into this country a good many years ago; we first tried the experiment.

1423. How did it sell?—One bale of the parcel we imported sold higher than any American in the market at the time; it brought sixpence a pound in bond.

1424. How was the average of it?—The average of it was found to be defective in the curing, and did not pay.

1425. From what you know of the article, should you say upon the whole it is better or worse than the tobacco of America?—It is of a different description from the tobacco of North America, it approaches more to the Brazil tobacco, the thin-leaved tobacco.

1426. To what countries is it exported?—It is brought to all the bazaars through India: it comes down in large quantities from Guzerat to Bombay.

1427. Have you known of any attempts to import it to this country?—Yes, we tried it ourselves, and government tried it also.

1428. To what do you ascribe the failure of the attempt on your part?—It was not sufficiently cured, and some of it was over cured: it is a very delicate plant. One bale brought sixpence a pound, when the best American was five pence.

1429. What did it cost a maund?—I think we paid 3 or 3½ rupees a maund: our tobacco maund is not above 38lbs. I think.

1430. Are you of opinion, that if this was properly cured for the voyage, it would answer as an article of exportation from India to Europe?—Our experiment so far proved that; but the difficulty is, that it is so very delicate to bring it into that proper state, the slightest particle of green vegetable matter left in it heats it on the voyage.

1431. Are you not aware that all tobacco, just like hay in this country, must undergo a heating to be fit for use?—Yes, I am aware of that.

1432. The heating of this tobacco was too great?—Yes, it rotted.

1433. What price has the article fetched in the English market?—Not much above a penny or twopence, I believe. The whole imports of tobacco from Bengal and Bombay together have been failures.

1434. Are there at present, on the part of the government of Bombay, any impediments to individuals making the experiment of improving the culture, or increasing the export of tobacco to Europe?—None whatever. I am satisfied that every facility will be given by the government, and is given by the government, to any attempts at improving the cultivation of the country.

1435. Is it not your opinion, that if this article had been cultivated to advantage, experiments would have been long ago made?—Yes, certainly, we should have proceeded ourselves in exporting it, if we could have done it to a profit.

1436. Can

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92. What is the proportion of a begah to an acre?—It varies in different parts of the country; in Calcutta about one-third of an acre.

93. Are there any large sugar plantations in India?—Not that I am aware of; the ryot brings his sugar to the bazaar.

94. Are you acquainted with the nature of the sugar manufacture in any of the West-Indian colonies?—No, I am not. I have seen gentlemen from the West-Indies in India, who complained of the quality of our sugar, and stated it to be very inferior to the West-Indian sugar.

95. Do you know whether the same individual who grows the sugar also expresses it from the cane?—I believe there are two stages; the first process of expressing it from the cane is done by the person that grows it, and he takes it then to another party, by whom it goes through another process; but I am not very certain on that point.

96. Do you conceive, that supposing a greater capital were employed in the growth and manufacture of sugar in India, there might be a much larger quantity grown than is now produced?—I believe it can be grown to any extent; and I have no doubt that if capital were applied to it the quality would be better.

97. Have you any reason to doubt that it would be sugar of as good quality as that produced in other parts of the world?—I think it is doubtful whether there would be any immediate change. I have understood that the sugar-cane itself in India, from bad management, is not equal to the West-India sugar-cane.

98. Would there be any impediment to the introduction of the best species of sugar-cane?—I should think there would be no impediment; but the fact is, that the sugar-cane, as at present cultivated, is held to be inferior to the West-Indian.

99. Supposing it were desirable to extend the cultivation of sugar in India, could large spaces of ground, unoccupied by other cultivations, be very easily found; such, for example, as 1,500 or 1,600 acres, all lying together?—I should think so, unquestionably. I conceive there would be no impediment to obtaining any extent of land, because the present cultivator would be as disposed to sell his field or let his field for sugar, as for indigo.

100. Would it not displace a considerable mass of industry now employed in other cultivations?—So far it would displace it, but for value received; no man would part with his field unless he was paid for it.

101. Is there not a great abundance of land in India to be applied to various species of cultivation, at present unoccupied?—There are great quantities.

102. Supposing the better land to be employed more largely in the cultivation of sugar, could not other species of Indian produce be grown upon lands of an inferior description?—The soil, of course, varies there as it does every

1436. Can Europeans hold land?—Now they can.

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1437. Since what time?—I think about two years ago that the regulations were altered in that respect.

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1438. What leases may they have?—It is the tenure they gave in Bengal to the coffee cultivation; I think it is ninety-nine years.

1439. It is only within two years that permission has been given to Europeans to hold land?—I think it is about that time that public intimation was given, but Dr. Scott and others have had lands longer for experiments.

1440. Was the tobacco of Guzerat you allude to cultivated with more skill than cotton, or any other production of the soil?—Yes, I think the tobacco lands of Guzerat, that I saw under cultivation, were the cleanest and best farmed lands I ever saw.

1441. The failure in our market was owing to the imperfection in the curing, was it not?—Yes.

1442. Would a perfectly free intercourse between Bombay and China, and between China and Great Britain, in your opinion, add facilities to the commercial intercourse between Great Britain and India?—Yes, certainly, in my opinion it would.

1443. Had you been permitted to ship tea from China to Great Britain or other countries, do you consider that such permission would have added to the facility of transmitting your funds to England?—Certainly.

1444. When you first proceeded to India, had you a license from the East-India Company?—I had; I had free merchant's indentures.

1445. What did you pay for those indentures, and what covenants did you enter into with the East-India Company?—I think I paid £25, and I suppose I entered into the usual covenants; I never read them.

1446. What you paid was to the clerks, and for stamps, and so on?—I presume so.

1447. What privileges did that give you?—I am not aware of any, except the privilege of residing and trading in India.

1448. Was it for yourself individually, or for a whole family?—For myself individually.

1449. Were you called upon to produce your indentures when you arrived at Bombay?—I was not.

1450. When you had occasion to visit Guzerat, were you called upon for your indentures, and had you to procure a passport?—I think I sent my indentures to the police office when I applied for my passport.

1451. Was a passport forthwith granted to you by the police without delay?—It was not; I think the police-master applied to government for their sanction.

1452. In passing through the territories of Madras, Bengal, and Bombay, were

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every where ; but there is an immense quantity of land occupied with jungle at present, but which, with a sufficient inducement, people would clear away, and find it available either for wheat or rice, or other products.

103. You do not then conceive, that supposing the cultivation of sugar and other articles of export were considerably increased by an outlay of capital and the application of European skill, there would, of necessity, be any diminution in the Indian produce, as applicable to the food of the natives ?—Certainly not.

104. Are you aware whether any improvement has been made in the cultivation of cotton since the introduction of the free trade ?—I believe not.

105. What are the inconveniences and restraint complained of or felt as a burden at present by British-born subjects in India, not being in the service of His Majesty or the East-India Company ?—There are several under the early regulations of the Company which have not been repealed yet. I have a list, taken from Mr. Auber's work, which I can deliver in ; it chiefly relates to penalties attached to Europeans for being in the country without license, and their being liable to be removed by order of the Governor General.

106. Have the goodness to read it.

[*The Witness read the same, as follows :*]

“ No British subject is permitted to reside in India without a license from the East-India Company : no British subject, even with a license, can go beyond ten miles of one of the presidencies without a new license. A British subject found in India without a license, or whose license may have expired, is amenable to the courts in India, and liable to be punished with a fine of 2,000 rupees for the first offence, and 4,000 rupees for the second offence. A British subject found in India without a license is liable to be sent home, and prosecuted for a misdemeanor before the courts of England, or not prosecuted, as the East-India Company may think proper. British subjects in India, having licenses, are liable to have them cancelled at the discretion of the different governors ; and, after two months' notice, to be deemed persons in India without license, and liable to all the penalties of that condition. The Governor General, or other governors of India, are prohibited from granting licenses to British subjects without the permission of the Court of Directors. British subjects, having licenses to proceed to the interior, must be furnished with a fresh license at every removal from district to district. No British subject can engage in the inland trade of salt, beetle-nut, tobacco or rice, except on account of the Company, on pain of forfeiting all such goods and commodities, and treble the value of the same ; one half to go to the United Company and one half to the informer. Any British subject found trafficking or haunting the countries or places within the limits of the East-India Company's charter without their license, is liable to forfeiture of ship and cargo and double the value of the same ; one fourth-part to go to the informer, and three fourth-parts to the East-India Company. British subjects in India are not permitted to hold lands in property, lease, or mortgage.”

I may state, with respect to salt, that before I left Calcutta, the government had issued an order allowing Europeans to purchase salt at their sales at Calcutta, which had not been the case before.

107. Do you know whether those regulations are practically enforced in India ?—They have been, in some instances. I believe, in my time, three or four

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were you frequently called upon for your passport?—Never, that I recollect, in any one instance.

1453. Had you letters of introduction to the authorities wherever you went?—I think I had, pretty generally.

1454. Are British-born subjects arriving at Bombay called upon to produce licenses from the Court of Directors; and failing to produce such licenses, is the law against interlopers carried into effect against them?—I never knew of an instance, with the exception of Mr. Buckingham's, of any European being sent from our presidency in consequence of a want of license.

1455. Was Mr. Buckingham's expulsion from Bombay previous to his being a public writer?—I think it was.

1456. He was in the capacity of a merchant at that time?—He had come over as a merchant, I think, from Egypt.

1457. Can you state why Mr. Buckingham was sent away?—I was not in Bombay at the time; but I never understood that there was any other reason than that he was unlicensed; he was sent away by Sir Evan Nepean.

1458. Have you not understood that he never became a public writer till he went to Calcutta?—I understand he commenced as a public writer there.

1459. What number of British-born subjects are there within the territories of Bombay, not in the service of his Majesty or the Company?—I cannot hazard an answer to that question, they are not very numerous.

1460. Are there a thousand?—No.

1461. Five hundred?—I doubt whether there are five hundred.

1462. Seven hundred?—Certainly not.

1463. Do you know of any British-born subjects, not in the service of his Majesty or the Company, residing within the Bombay presidency without a license?—I know various individuals who have no licenses.

1464. Have those persons arrived since the commencement of the administration of Mr. Elphinstone?—Those I allude to have arrived since he became governor.

1465. How has it been since the commencement of Sir John Malcolm's administration; has positive encouragement been given since that time?—There has been very great encouragement given by Sir John Malcolm and his council for individuals to take farms, to go into the interior; very great encouragement.

1466. What has been the effect of this encouragement?—That has all been so recent, that hitherto it has been impossible to say.

1467. Have many established themselves?—Not a great number; I know only of three or four instances.

1468. Do

four persons have suffered under them. I may state, with respect to the regulation, "that no European is allowed to go ten miles from Calcutta without a license;" that that in practice is quite rescinded. The Governor General's own country house is sixteen miles from Calcutta, and gentlemen out of the service are constantly in the habit of going up there. And, in my own person I have frequently gone over the country in various directions, without applying for a license; but still the regulation does exist, and the government is in the habit of advertising this order occasionally. I have before me an order from the general department, dated in 1826, which is as follows :

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" Fort William, General Department, August 4, 1826.

" It having come to the knowledge of the Governor that Europeans are in the habit of visiting the Upper Provinces in the prosecution of commercial speculations, or for the temporary purpose of disposing of investments of goods, without having obtained the previous permission of government to proceed to the interior; notice is hereby given, that instructions will be issued to the magistrates of the several districts bordering on the rivers, to stop all Europeans, whether British-born subjects or otherwise, and Americans, not being in the service of His Majesty, or in the civil or military service or employment of the Honourable Company, who may be found in the interior, at a distance of ten miles from the presidency, and unprovided with a passport. Applications for passports are to be made in writing to the Secretary to Government in the general departments, and are to contain the following particulars :

" 1st. The name and occupation of the persons applying.

" 2d. The time of his arrival in India, and whether with or without a license from the Court of Directors

" 3d. The place or places to which the individual may be desirous of proceeding ; and,

" 4thly. The general object of his journey.

" By command of the Right Honourable the Vice-President in Council,

(Signed)

" C. LUSHINGTON,

" Chief Secretary to the Government."

Now, that appears to have been advertised as a matter of form, because I am not aware of any individual, merely going for pleasure from Calcutta, ever thinking of asking for a passport.

108. Are you aware that advertisements, nearly to the same effect, have been issued at the other presidencies, which appear by the newspapers?—I am not aware of that.

109. Are the regulations more strictly enforced at the other presidencies than they are at Calcutta?—That I cannot speak to.

110. Practically, have not the old regulations preventing Europeans from holding land, been considerably relaxed by later regulations?—There was an order of Government, dated, I think, in February 1829, which was founded upon the same basis as a previous order respecting holding lands for the purpose of the cultivation of coffee. The former applied to persons desirous of cultivating indigo, but it was at the same time encumbered with

1468. Do you see a disposition to avail themselves of this encouragement? 7 March 1831.
—Yes, I think there is a disposition certainly to that effect.

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1469. Is the encouragement given, in your judgment, sufficient to induce the people there to lay out capital?—I do not know that; they are a good deal deterred, I believe, by the want of success of the three or four establishments which have been tried there so long ago. I know no mercantile houses who have any thing to do with those operations.

1470. They are not deterred by any steps taken by the Company's government?—None whatever.

1471. What title have they to their lands?—The title to their lands is the same as that given to the cultivators of coffee in Bengal.

1472. What sort of engagement have they?—It is a lease.

1473. For what period?—I think it is for a long period.

1474. Is it a lease for sixty years?—I think it is longer.

1475. Could any British-born subject without a license have resided at Bombay during the administration of Sir Evan Nepean, as far as your experience of it extends?—I know he sent away Mr. Buckingham for being unlicensed; but, excepting that fact, I could not judge.

1476. Then, according to your statement, it will appear that the recent government of Bombay have not viewed the resort of British-born subjects to India as being so prejudicial to the interests of the country as their predecessors did?—I presume they do not consider them prejudicial, or they would enforce the regulations.

1477. In addition to that, they have given them direct encouragement?—Yes, for agricultural purposes, certainly.

1478. Are you not of opinion the Company's authorities having the power to send persons away, affords them the means of supporting their authority in the country?—Most certainly.

1479. Would you think it advisable that that power should be withdrawn from the Company?—Certainly not, in my opinion.

1480. Will you state to the Committee whether, within your knowledge, that power has been ever abused by the Company?—I never knew an instance of it, except that to which I have referred, and the expulsion of Mr. Fair, which was thought a very harsh measure of the government when I was there.

1481. When did that occur?—It occurred in Mr. Elphinstone's time, I think, three or four years ago.

1482. Do you know the grounds of that measure?—It was in consequence of a complaint of the supreme court.

1483. Can you state what the nature of the complaint of the supreme court was?—The reason I believe was, that the supreme court complained to the government

17 Feb. 1831. so many restrictions, that I do not believe there is any instance of a person applying for permission under it.

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111. Was not the permission originally given, rescinded by the Directors?—I am not aware of that.

112. Are there many respectable and industrious British-born subjects now at Calcutta, and other places in the Bengal province, without a license from the India Company?—I believe there are a good many without licenses.

113. Do you imagine that the regulations to which you have alluded, do practically interfere with the conduct of commercial speculations?—I think they interfere with respect to the holding of lands, certainly. Indeed, I know an instance that occurred very recently in India, where, upon a regulation of the Bengal Government, 48 of 1795, very serious injury was sustained by an Englishman being ejected from the possession of landed property, on the sole ground that he was an Englishman; and though he was acting in the capacity of agent for a native, to whom the property belonged, yet it was held, that under that regulation he could not be in charge, though he had a local license to reside in the district; and he was removed. There was a lawsuit about the property, and the possession was given to the opposite party upon the above ground alone, viz. than an English person had no right of occupation whatever, without the express sanction of the Governor General, which in this case had not been given; for it had been thought unnecessary, as the party had a local license to reside in the district. It was thought he might act as the agent of a native proprietor; but it was held that he could not, and he was, by the order of the court, ejected at an hour's notice, and the possession of a very valuable property given over to another party.

114. Is it not essential to the conduct of commercial speculations, that individuals should have free access to the parts of the country where either their goods are to be sold, or where purchases are to be made?—I think so.

115. Have they not thereby the means of ascertaining more correctly the wants of the people?—Unquestionably, by constant motion from place to place.

116. Does any inconvenience arise to British subjects from the necessity of their having to procure a fresh license when they remove to the interior of the country, or from district to district?—I do not think that is any practical inconvenience, because I have never known an instance where it has been refused. The parties are compelled to make references of conduct and character, and there is a fee attached to the license.

117. Do you know the amount of the fee?—It is not large; I believe about 32 rupees.

118. For what period are the licenses generally granted?—That I do not exactly recollect. I do not know whether there is any limited period.

119. By

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government that Mr. Fair, as a newspaper editor, had misrepresented in his paper something that was said by one of the judges in the court.

1484. It was for his conduct as editor of a newspaper?—Yes.

1485. Are you not of opinion, that the power of expulsion possessed by the government would be a great objection to an individual investing a large capital in the cultivation of cotton?—I do not think they would to a person determined to carry on its cultivation properly and quietly.

1486. Supposing he was expelled, would not the greater part of the capital he had expended in the cultivation of his cotton be lost?—I should think there would be great risk of its being lost

1487. Do you think that the government of that country, considering the small number of British subjects by whom such large extent of territories is commanded, could support its authority satisfactorily without the power of sending home any persons who might, in their opinion, be disturbing the authority under which they were living?—I am clearly of opinion that the power is necessary.

1488. The removal of the individual you have just mentioned was not the result of any sentence of the court?—No, it was in consequence of a complaint of the court.

1489. When you stated that this power is necessary in the hands of government, do you give that answer, looking to the state of the law as it exists at the present moment in India, or the possibility of an amelioration of that law?—I should be afraid if those regulations were withdrawn altogether, and that all individuals had the power to go and settle there, the worst, and a very improper and dangerous class to the peace of the country, might get to India.

1490. What number of British-born subjects, such as the planters of Bengal, are there settled, and following agricultural pursuits within the territories subject to the Bombay presidency?—Excepting the few that have gone lately in consequence of the recent encouragement held out by government, there are none whatever.

1491. Can you explain to the Committee why so many settlers of that description have been established in the Bengal provinces, while there are none in the Bombay?—No; I suppose they found it more their interest to remain in Bengal than to come to our side.

1492. Are British-born subjects now permitted to hold land in perpetuity or on long leases, in any part of the Bombay territories?—Under the present regulations, they are permitted to hold land in the interior on long leases, and on the island of Bombay they hold houses I believe in perpetuity.

1493. Have they been always allowed to hold houses in perpetuity or otherwise in the island of Bombay?—They have.

1494. Are

119. By whom are the licenses granted?—They are granted in Calcutta by the Territorial department.

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120. Supposing an individual to be in the Upper Provinces, how does he obtain a license to remove?—He would write down to some person in Calcutta, enclosing a letter from himself, stating who he is, and what he is, and where he may be heard of, requesting permission to remove to another district; and I know of no instance where that permission has been withheld upon a proper application.

121. You stated, that Europeans had been allowed to trade in salt, latterly?—They have been allowed to purchase it at the Company's sales at Calcutta. They are not allowed to interfere in the manufacture of salt.

122. Does the same apply to tobacco or rice?—I am not at all acquainted with the tobacco trade, and I am not aware that there is any actual prohibition to deal in tobacco, but Europeans never do engage in it.

123. How is it with respect to beetle-nut?—I am not aware; I believe that is excluded by Act of Parliament; and which Act, upon recollection, applies also to the article of tobacco.

124. By the new regulations about salt, are Europeans permitted to carry salt up the country, and trade in it?—Yes, I understand that is the effect of the regulation; but they must purchase it at the Company's sale in Calcutta.

125. Were not the regulations with respect to the dealing on the part of Europeans in salt and beetle-nut directed originally against the dealings of the Company's servants?—I think so. I believe it is matter of record, that in the early part of the Company's possession of the country, great abuses did take place in the inland trade of the country.

126. Are you aware whether any inconvenience results to the trade from the inability to clear out from the minor ports of India?—I am not personally aware of the fact, never having been upon the coast.

127. Must not the exclusion of British enterprize and capital tend to enhance the price to the consumer, and to diminish the trade which might be conducted if no such restraint existed?—I think so.

128. You have stated, that British subjects are not permitted to hold lands or property on a lease or mortgage in their own names; does this provision originate in the Act of Parliament, or in a regulation of the East-India Company?—I believe the regulation with respect to lands is a regulation of the East-India Company itself; I do not believe the Act of Parliament prevents it.

129. Do you know the date of the regulation?—There are two; one is the Regulation 38 of 1793, and there is a Regulation 48 of 1795.

130. Are you not aware that the Court of Directors, as early as the year 1766, prohibited Englishmen from holding lands, and that such prohibition was

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1494. Are they or the natives the principal proprietors of real property within the island of Bombay?—The natives.

1495. Is the value of houses or lands in Bombay comparatively high or otherwise?—Comparatively, as between Madras and Calcutta, I think it is.

1496. Are they latterly rising?—Rents are rising.

1497. What is the ordinary interest of money in the island of Bombay within the jurisdiction of the King's court, on good security?—Nine per cent. is the interest with the natives, and the Europeans lend their money at nine per cent., but the interest with the mercantile houses is only five per cent.

1498. Is there any commission charged?—Not on those loans; there is a one per cent. commission on the account generally.

1499. How comes the interest of money to be lower in Bombay than in Bengal?—We have not so much employment for it; we employ a good deal of our money in Bengal.

1500. The profits of trade are smaller, probably?—I have no doubt they are.

1501. Is it in consequence of these circumstances more steady?—It is more steady from that circumstance.

1502. Are the means of investing money smaller at Bombay than at Calcutta?—Certainly they are; there is a good deal of Bombay money engaged generally in Bengal.

1503. Are you in the habit of advancing money for agricultural purposes, as is largely done in Bengal?—Not at all.

1504. Does no part of the capital of Bombay go to Bengal, to seek a more profitable employment there?—Yes.

1505. Are there any banks, either public or private, in Bombay?—None.

1506. What is your circulation?—Bullion entirely.

1507. Silver?—Silver now; all our gold has been exported to England years ago.

1508. Would banking establishments, like those at Bengal that issue notes, add facilities in carrying on commercial affairs?—We do not require them, we have more money than we know what to do with generally in the mercantile world at Bombay.

1509. You have, no doubt, often heard it asserted, that the free trade with India has proved a loss, and not a gain to the parties conducting it since 1814; is it consistent with your own knowledge and inquiries that such has been the case; or, on the contrary, do you consider the course of the Indian trade as resembling that of other branches of the foreign trade of the kingdom, in which the speculations have sometimes been advantageous and sometimes otherwise?—Certainly, I should consider that, upon the whole,

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T. Bracken, Esq. was chiefly directed against its own servants, who about that time were in the habit of holding public lands, farms, and other sources of revenue?—I think it was; and in a Report of the Committee of the House of Commons there is an allusion to that circumstance, in consequence of a communication from Mr. Barwell, who had wished the regulation modified, so as to admit “Europeans of respectable character” to hold lands.

131. What is the date of that Report?—I think 1783 or 1784.

132. Have you referred lately to the Report?—Yes, I had occasion to refer to it this morning. It goes to the extent of stating, that the regulation was chiefly applicable to the Company's servants, who were men of influence and of power, and who might convert that power to improper purposes; and that it would be an irrational regulation as applied to men who were not in the service.

133. Are the natives in India aware of the restraint and disabilities under which British-born subjects, not in the service of His Majesty and the East-India Company, labour?—Yes, they are.

134. Must not the consequence be, in all transactions between Europeans out of the service and natives, to encourage the latter in a spirit of litigation?—I do not think it goes to that extent, but I think it has a certain degree of prejudicial influence against Europeans out of the service.

135. Are you acquainted with many indigo planters?—Yes, several.

136. Do you consider them as an eminently intelligent and respectable class of people?—I think them a very respectable class.

137. Have you any documents that enable you to speak to this point?—I have not with me any letters; but there were several addressed by the indigo planters, in reply to a circular issued to them by the agency houses in Calcutta, wishing to be informed of the number of begahs in cultivation, and the number of persons employed. From the perusal of the replies to the circulars, and the information contained in the letters, I should say that many of the indigo planters were men of extremely good information.

138. Have you heard that the character of the indigo planters has been aspersed, and that they have been accused of turbulence and ill-using the natives?—I have heard that that has been alleged against them.

139. Do you conceive that that is well founded?—Certainly not, generally. There have been individuals that have committed violences; but as a body, I think the aspersion is not a just one.

140. Do you conceive that that class of British subjects has improved in character, or not?—I think it has; there are men of better education now in that line than there used to be.

141. Do the indigo planters in general carry on their cultivation upon their own capital, or upon capital borrowed?—Generally speaking, in the commencement of their career, they borrow capital. In fact, the process is something

7 March 1831. the Indian trade, since the opening of the trade, has been a source of gain ;
 but, probably, not to a very large extent.
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1510. On what evidence do you consider it probable that the free trade has, upon the whole, been advantageous to those conducting it?—I have no doubt, from my own experience of our own establishment.

1511. Have you any objection to state to the Committee, whether the India trade, from your first entering into it in 1816 to the present time, has generally answered your purposes as a merchant?—Yes, certainly, it has.

1512. Do you conceive that the trade might be considerably increased if there were a power of getting returns to England?—It would, certainly, if the power of getting returns was greater.

1513. Is not the absence of proper returns the chief impediment to its greater increase?—It is a very great impediment, certainly: at present we have rather glutted the Indian markets.

1514. Do you conceive there would be any difficulty in parting with English manufactures if there were proper returns to be sent?—We could afford to sell our manufactures there so much cheaper, by all the additional profit we could make upon our returns.

1515. Is there any indigo grown in the province of Bombay?—None whatever for exportation.

1516. Is the silk sent from Bombay to England improved?—We have no native silks on our side of India.

1517. Has the Persian or Chinese silk improved?—I am not aware that it has.

1518. Could not silk be grown in the Bombay district, in your opinion?—I cannot speak to that; I have no means of forming an opinion.

1519. Can you state to the Committee, from your own extensive experience as a merchant carrying on trade between this country and India, any general alterations which Parliament might make in the renewal of the charter to the East-India Company, which in your opinion would be beneficial to the interests of merchants?—I am not aware of anything that is necessary on our side of India.

1520. You cannot suggest any alterations to be made in the existing charter of the Company, which in your opinion would materially improve the trade between the two countries?—I am not aware of any, except the giving us greater facilities of making our returns from China.

1521. You do not think that, as it respects the peninsula of India, any materially increased facilities are necessary?—I am not aware of any impediment whatever, which we labour under, that could be removed, except taking off our duties.

1522. You are not aware that your trade is molested or impeded in any way by the authorities of the East-India Company, so as to make any interference

something in this way: an indigo planter makes an independence, and then sells his factory; generally, the agent who had been employed by the first indigo planter becomes the agent of the second, and advances the purchase-money. 17 Feb. 1831.
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142. Are there many of the indigo plantations out of debt?—There are more now than there were formerly. Some of the indigo factories within the last six or eight years have got completely out of debt; others have not been so fortunate.

143. What is the interest in general that is paid for loans of money upon indigo plantations?—It depends considerably upon the state of the money-market in Calcutta, but eight, ten or twelve per cent.; at present the rate of interest is high, I believe ten or twelve per cent.

144. Is a mortgage given as security?—Yes.

145. Are there many houses in Calcutta in possession of indigo plantations, in consequence of holding such mortgages?—They are not actually in possession, but they hold the mortgage papers; the planter himself is in possession of the factory; but I believe there are few instances where there are advances in money to the indigo planters, where an agency house does not take the mortgage in the first instance.

146. Is it probable, in your opinion, that the low price of indigo in Europe will diminish the aggregate quantity of indigo produced?—Certainly. Before I left Calcutta, the expectation of a low price in the home market had induced the agents to withdraw their support from all indigo factories of which the soil was inferior, but which had been brought into cultivation under the stimulus of the high prices that obtained in Calcutta.

147. Are you aware whether it was generally understood at Calcutta, that directions had been sent out by the Directors to inquire into the conduct of the indigo planters?—It was generally understood so.

148. What steps were taken by the Governor General of India with reference to that point?—A circular was issued to the judge and the magistrates of the different districts, to report upon the Europeans in their several jurisdictions.

149. Have you any means of knowing what the result of that inquiry was?—Not any official means. A gentleman high in office in Calcutta told me, confidentially, that the result has been very satisfactory to the characters of the indigo planters.

150. Does not the personal comfort and success in life, of every British subject in India, whether in the service or out of it, residing in the provinces, depend upon the conciliatory conduct and demeanour that he shows to the feelings and prejudices of the native inhabitants?—Unquestionably; a man's own interest would teach him that in India.

151. Have you known any instances in which a contrary conduct has been pursued?—There have been instances.

152. What

ference of Parliament in the restriction of the power of the Company of service to you?—There used to be local duties exacted on our goods going up, and on produce coming down the country: a regulation was lately published by the government to take these all off, and only levy duties at the ports. Those regulations were approved by the Court of Directors, and they were to have been put in force in May last, so that all goods once imported from England should be free in the Company's territories of all minor imposts; and I am sorry to hear that it has not yet been put into effect.

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1523. Do you mean the transit duties?—Yes, that certainly would facilitate our operations if the duties were confined to the ports.

1524. You cannot point out to the Committee any other inconveniences you labour under?—I cannot.

1525. The opening of the trade to China would give great facilities to the trade between this country and Bombay?—Certainly it would; it would much facilitate our returns.

1526. Has not the trade between Bombay and Poonah, and the territory of the late Peishwa, fallen off very considerably since that country came into our possession?—I have understood so.

1527. Has not the export generally of China articles from Bombay to the Deccan decreased?—It has, and also the exportation of metals.

1528. Are you not aware that a very extensive import of cotton goods took place into India, about the years 1809 or 1810, sent out by the late Sir Robert Peel;—Yes, I have heard so.

1529. Those were sold at very low prices?—Yes.

1530. That first gave encouragement to the natives to look to these articles?—So I have understood.

1531. You mentioned, that a very considerable consumption of cotton goods took place on the island of Bombay?—Yes.

1532. What is the general condition of the great class of people on the island of Bombay in reference to means?—I should think that the great body were of course the poorer castes, the poorer classes.

1533. Is not that the case also in the Deccan, and throughout the Company's territories on the western side of India?—It is.

1534. Are not the great body almost in a situation of beggary?—I cannot say altogether that; they certainly are very poor, but they require very little to support them.

1535. Without bettering the situation of the natives of India, giving them the means of paying for imports, is it possible you can greatly increase the trade with that country?—Probably not to any very great extent, to increase it very much.

1536. Are you not aware that the land rent is very high in India?—I have understood it is.

1537. When

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152. What has been the effect upon the individual pursuing that conduct?—I should say generally detrimental to him.

153. Are you not of opinion, that the knowledge which an European has of the power that the Company has over him, is a considerable check to his exercising any such acts as you have described?—I should think that, without that motive, he would be induced to treat the natives well if engaged in commercial pursuits. I should be inclined to think, that a man of very strong passions or infirmity of temper would be withheld by no inducement; but with a reasoning mind, I think the influence of self-interest is sufficient without bringing the other motives into play.

154. Are the indigo plantations generally conducted by agents, or by the parties themselves?—The advances are made by agents, the management of the factory is by the planter. The planter draws upon the agent for supplies of money; that is the only way in which the agent has any thing to do with the factory.

155. Have many of those indigo planters resided a considerable time in India?—Many of them have.

156. Are they chiefly British-born subjects?—I should think the majority of them were; there are a good many Frenchmen.

157. What is the part of the country where the indigo plantations chiefly exist?—Jessore, Kishnagur, and Tirhoot.

158. What is the description of soil best suited to the cultivation of indigo?—It is considered, that those factories are best that are liable to inundations from the Ganges.

159. Does it require a deep alluvial soil?—Not very deep; but the soil is much improved by the sediment that the river brings with it, or leaves rather, after an inundation; but I am not acquainted with the details of indigo cultivation.

160. Are there any Indo-Britons among the indigo planters?—There are some, and as such they have some advantages, by being enabled to take farms and leases in their own names. One of the largest concerns in India is held by a gentleman of the name of Harris, who is an Indo-Briton; in consequence of which he is enabled to hold some very large zemindaries.

161. Have you attended at all to the trials that took place in the supreme court with regard to the ill treatment of natives by Europeans?—I have read several.

162. In those cases in which ill-conduct on the part of Europeans towards natives has occurred, has it generally been on the part of the Company's servants, or on the part of the free traders?—I cannot bring to my recollection the exact proportion of offences committed, but to the best of my recollection there have been very few by either.

163. Has the number of European settlers in Bengal greatly increased since

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1537. When you say that China articles imported into Poonah have fallen off, are you alluding to the former part of your evidence, of the tutenague having fallen off?—I allude to the change which has taken place since the country fell into our possession; when Poonah was the residence of the court of the Peishwa, there was a great deal more money circulating there.

1538. You account for it from the circumstance of Poonah having ceased to be the seat of that government?—I do.

1539. You say that, generally speaking, the natives of India are in a state of indigence or destitution; did you pass through any provinces not belonging to the Company?—I did.

1540. Were the natives in those provinces in a worse or better condition, or much the same?—They appeared to be much the same.

1541. Was there any difference in the appearance of the cultivation of lands?—No, I am not aware that there was. The Company's territories through which I passed were very much intersected. In Guzerat, considerable portions of the country, when I was in it, belonged to the Peishwa and the Guicowar; I could not perceive any considerable difference.

1542. You have had no opportunity of comparing the condition of the natives in the Deccan now, with their former condition under the Mahratta government?—None whatever; I was never there till the change of government.

1543. Is the land-tax lighter or heavier in the Company's territories, or in the independent territories?—I understand it is pretty much the same.

1544. Has not the interference of the Company in the article of opium been exceedingly prejudicial to the mercantile interest in the west of India?—It certainly has, to some extent; it has forced the Malwa opium at a great expense to go through the native territories to the Indus, and from the mouth of that river to the Portuguese town of Damaun, whence it is shipped in Portuguese vessels to China.

1545. That is done away by the late regulations?—It is.

1546. Do you mean to say that the trade in opium is now free?—It is perfectly free, by paying to the Company a duty of 195 rupees per chest.

1547. What is the prime cost?—I have understood it to be very low: I mean the prime cost the Company pay for it in Malwa.

1548. Can you state the price?—I cannot.

1549. Is the system of taxation, upon the whole, oppressive in the parts of India you are acquainted with?—I can speak only from what I understood. I have heard that it is so; I have heard complaints of it from the natives.

1550. Should you say, upon the whole, that the country has suffered from any excessive amount of taxation?—I can only say, that I have understood it does suffer from the excessive taxation.

1551. Does

since the opening of the free trade?—It has increased, but I do not know to what extent; there are several Europeans who come into Calcutta without any license, and they get spread through the interior. 17 Feb. 1831.
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164. Has any inconvenience resulted to the natives from the free resort of Europeans to Calcutta?—I should think not any at all.

165. Do you think any benefit has resulted to them from it?—I think so, unquestionably; wherever there are Europeans, they bring a demand for labour.

166. Are the most intelligent of the native inhabitants anxious for the permanent settlement of Europeans in the country?—I should not say the greatest number were, but the most intelligent are.

167. Have not they expressed it in a petition?—There was a petition in Calcutta, that was signed by a great many very respectable natives as well as Europeans.

168. Can you mention the names of any of the natives?—There is one, a very celebrated native, named Rammohun Roy, and there was a family of the name of Tagores, who are great proprietors of zemindaries.

169. Are they not all persons living in Calcutta?—They are.

170. Is there a counter petition to that?—There is.

171. Do you know anything of the circumstances of that petition?—There were two petitions drawn up at the same time; one for the continuance of the suttees, and the other for the prevention of Europeans holding lands; the same parties were engaged in both petitions. I do not believe the petitioners were called together publicly. I had an opportunity of seeing both of the petitions carried about to the different offices in Calcutta for the purpose of procuring signatures to them from the writers and persons of the lower class; in fact, I saw them in our own office.

172. Do you know with whom either of them originated?—The party who was supposed to have had the most influence in them was a native, who had been a sirkar to Bishop Heber, and had considered himself as having a prescriptive right to be the sirkar of every bishop, but he was turned off, and took offence; he is the editor also of a newspaper at Calcutta, advocating the suttee.

173. What advantages do you consider would result to the improvement of India, with respect to agricultural commerce and the condition of the native population, from the permanent settlement of Europeans, under just and equitable laws?—I think there would be an improvement in the modes of agriculture, and greater habits of industry; the example of Europeans generally being, I think, useful to the natives.

174. Was the first petition you have mentioned signed by any persons out of Calcutta?—It was not circulated beyond Calcutta; but some of the natives that signed it were landholders, some of them having estates 200 or

1551. Does the commerce of the country suffer?—That was one of the reasons they gave for the commerce not being more active, and a greater consumption of our goods. 7 March 1831.
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1552. Do the landowners suffer?—It is only in that way, also, that I have heard it mentioned that they are over taxed.

1553. But you have no knowledge of it yourself?—No; none whatever.

1554. Did you ever hear of torture being inflicted in order to extort the taxes?—Never.

1555. Did you ever hear of the Company's servants on the western side of India exacting rents so rigidly as to compel the ryots to pawn their wives' jewels?—I never heard of such a circumstance.

1556. You never heard of that having occurred on the island of Salsette?—Never.

1557. At what rate of interest were the Company borrowing money when you left India?—There was a five-per-cent. loan opened when I left India.

1558. Do you believe that to be still open?—I have never heard that it has been shut, I understand that it is still open. I should say, rather, there was a four-per-cent. loan open when I left India; but since I left India, I know there has been a five-per-cent. loan opened.

1559. In what state is the island of Salsette at present, in a state of prosperity or otherwise?—I cannot well hazard an opinion upon that point; I see little change in its appearance since I have resided in India.

1560. Have you visited it?—Yes, I have gone through it frequently.

1561. You state, that Dr. Scott's plantation is now a wilderness?—Yes, they cultivate nothing, I believe, but the lands are capable of producing rice.

1562. Is that different from the general state of the island?—No; I believe nothing of any moment but rice is produced on Salsette.

1563. Are not the natives in that island in a state of great poverty?—I am not aware that they are more so than in other parts of the Company's territories.

1564. Has there been any rapid extension of buildings in Bombay?—Yes, the town has been improving very much within the last few years, extending very much, and improving in the style of building and in the roads.

1565. Are you aware whether the rent of land has been rising?—I cannot say whether the rents on the island of Bombay are rising; garden ground is becoming more valuable, in consequence of the increase of population.

17 Feb. 1831. 300 miles from Calcutta; people who move about the country, and have their town-houses in Calcutta.
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175. At what rate of interest have the government of India borrowed money for some time back?—I believe at five per cent. of late years.

176. At what rate of interest have the most respectable firms in Calcutta borrowed money?—Not under eight or nine, or ten sometimes of late years.

177. Can you state any reason for that difference?—I think it is something connected with the want of real property there. Europeans are not allowed to purchase lands, and therefore it is with private security only that they come into the market.

178. What do you suppose is the reason for the rate of interest on money advanced on indigo plantations being so high as twelve per cent.?—There is considerable risk. The actual stock is mortgaged comparatively of small value; even in some instances it is scarcely equal to the annual outlay; and in case of a very unfavourable season, there would be a greater deficiency, perhaps, than the mortgage could cover.

179. At what rate of interest do natives in good credit at Calcutta, subject to the jurisdiction of the King's court, borrow money?—I believe about twelve per cent.

180. What is the common rate of interest between native and native in the provinces not under the jurisdiction of the supreme court?—I have understood it is much higher: I have heard it stated at as much as twenty-four or thirty per cent.; that is, two and a half per cent. per month.

181. Can you explain the reason for the difference?—I can only attribute it to the want of security, the risk.

182. Is there such a thing as borrowing upon the security of real property among European merchants?—In Calcutta there is to a small extent; houses are sometimes mortgaged.

183. Have many of the indigo planters been forced to abandon the business from the amount of their debts?—Some of them have; but I do not think a great many. Some of their factories have been shut up lately, in consequence of the fall of the indigo market of this country.

184. Have the agency houses, in those cases, foreclosed?—It is rarely that the necessity of foreclosure has taken place; the parties themselves have given up possession.

185. Are there any restrictions or regulations that, in your opinion, continue to raise the rate of interest?—I think that, were the capitalist enabled to purchase lands, and to employ his money in the purchase of real property, in the end it would have the effect of reducing the rate of interest, because he would be able to mortgage his landed estate or his property.

Jovis, 10^o die Martii, 1831.

SIR HENRY PARNELL, Bart. in the Chair.

GILLIAN MACLAINE, Esq. called in, and examined.

- 10 March 1831. 1566. ARE you a merchant and proprietor in the island of Java?—I am.
 G. MacLaine, Esq. 1567. How long have you resided in Java?—I have resided there about ten years: I left it a year ago.
 1568. Is it your intention to return?—It is.
 1569. What is the estimated area of the island?—About 50,000 square miles, and the population about 6,000,000, giving about 120 inhabitants to the mile.
 1570. With what countries does Java carry on trade?—With the neighbouring islands, with China, with British India, with the British possessions in the Straits of Malacca, with Holland and other European countries, and the United States of America.
 1571. Has the commerce of Java increased considerably since you became acquainted with it?—Very considerably.
 1572. Can you state the amount of the exports and imports at any given time, for instance, in 1820?—I have no note of the exports and imports in 1820. In 1828 the imports amounted to about 20,000,000 guilders, and the exports to 18,000,000, making the whole trade about £3,000,000 sterling.
 1573. Are articles of European manufacture extensively consumed by the inhabitants of Java?—Very extensively.
 1574. Of what description of goods?—Cotton piece-goods, iron, steel, glass ware, and several other articles.
 1575. From whence do they get the cotton piece-goods which they consume?—From Belgium and from Great Britain, also from British India and China.
 1576. Does not Java belong to Holland, and not to the Netherlands?—It does.
 1577. Are not the cotton piece-goods sent from Europe the produce of Belgian manufacture, and not of Holland?—Entirely Belgian.
 1578. Therefore if Holland and the Netherlands are separated, as Java is a Dutch and not a Belgian possession, must not the trade between Java and Belgium cease?—I should conceive so.

1579. Do

186. Is there any restriction in Calcutta, as to British subjects holding lands and houses?—They hold houses in Calcutta. 17 Feb. 1831.

187. What is the rate of interest between indigo merchants and their agents?—It is about twelve per cent., but it varies; I have known it eight per cent. The agent is generally influenced by what he has to pay; he borrows money with one hand, and lends it with the other. *T. Bracken, Esq.*

188. Does not the agent, in addition to that, charge a large commission?—He does; two and a half per cent. upon the advance, and two per cent. upon the sale.

189. So that the indigo planter has to pay not only an interest of twelve per cent., but a commission of five per cent. upon all his transactions?—Yes, upon his outlay and his sales.

190. Supposing an European were to borrow money of a native, is there any restriction with regard to the interest in that case?—Yes, twelve per cent. in Calcutta, and all over India.

191. You conceive that if Europeans were allowed to possess land in India, they would be able to borrow at a lower rate of interest than they do?—Yes; it being generally known that they were possessors of landed property, would have the effect of making their security better.

192. Do the natives hold a large proportion of the Company's registered debt?—I believe it has been ascertained lately, that they hold a very small part in proportion of what was supposed. It is chiefly held by Europeans.

193. What system of banking is there at Calcutta?—There is the issuing of bank notes and discounts.

194. Is it under any regulation?—No, there is no regulation regarding private banks.

195. Either with reference to the issues or with reference to the number of banks?—There is no restriction, but there is only one chartered bank at Calcutta. The bank of Bengal is a chartered bank, in which the shareholders are only responsible to the extent of their capital. There are two other banks: there is one general bank, to which there are many subscribers; and there is the bank of Hindostan, with which the house of Alexander and Company is connected.

196. What is the smallest note they issue?—Four rupees.

197. Do they circulate in the country?—They go as far as Chandernagore and Serampore, about twenty-five or thirty miles, but they do not circulate in the villages to any extent.

198. You mentioned, that the rate of interest would probably be lowered, and the facility of obtaining credit increased, if British subjects were to hold lands; do you not know that native landholders borrow money frequently of each other, and frequently of Europeans, at a very high rate of interest, at two or three per cent. per month?—I am not aware that the native possessors of large property pay so high as that. I have always understood that

1579. Do you know the period at which British manufactures were first introduced into Java?—The first importations were in 1814 and 1815, about the commencement of the free trade. The largest importation was in 1823; it amounted in 1823 to about 6,000 cases of British cotton goods, the value of each case being about £50 sterling, making a total import of about £300,000 sterling.

10 March 1831.
G. MacLaine, Esq.

1580. Was there not at that time a duty of £15 per cent. on British goods?—From 1814 to 1823, I think the duty was £15 per cent. on the invoice; an *ad valorem* duty of £26. 5s. per cent. was afterwards imposed.

1581. How did that operate; was it sufficient to turn the scale in favour of Belgian goods?—It turned it very much in favour of Belgian goods, but there was still a great quantity of British goods imported.

1582. Are not the British cotton goods imported into Java chiefly in the white?—The greater part are white or plain goods.

1583. And they are dyed or printed by the Javanese, according to their tastes?—They are.

1584. Are you aware that in this country the calico printers have made many attempts to imitate the Javanese patterns, and not very successfully?—They have frequently attempted to do so, but not very successfully.

1585. Do you think that, in consequence of the facilities given to the calico printers by the repeal of the duty, the future attempts will be more successful?—I certainly think so, if the manufacturer can produce his goods with greater ease and at less cost.

1586. You stated, that you think that British goods could successfully compete with Belgian manufactures if the duty were only £15 per cent.?—I think, with an *ad valorem* duty of £15 per cent., and no duty upon Belgian manufactures, the latter would be driven out of the market: as it is at present, we maintain a pretty successful competition with them, even though the duty is £26 per cent. *ad valorem*.

1587. If this increase of duty had not taken place, do you suppose that the consumption of British piece-goods in Java would have increased considerably?—I think it would have been doubled by this time.

1588. Have not the Javanese some coarse strong cotton manufacture of their own?—Coarse and substantial, but high-priced.

1589. Did they not formerly import considerable quantities of coarser goods from Bengal and Madras?—They did import large quantities of the cotton fabrics of Madras and Bengal.

1590. What has been the consequence upon the native manufactures of India in consequence of the opening of the trade?—The fabrics of Madras being of a finer description, have been almost superseded by the introduction of European cotton goods, but the coarse cotton goods of Bengal are still introduced very largely into all the Malay countries.

17 Feb. 1831. **that the very high rate of interest was applicable to people without property at all ; because I know instances where zemindars have mortgaged their zemindari, who have only paid eight per cent. and ten per cent. interest to Europeans.**
T. Bracken, Esq.

199. At what rate have you known Europeans borrow money upon mortgage at Calcutta ?—At eight per cent.

200. Have any banks failed lately ?—The house of Palmer and Company had a bank ; but they were not issuing bank notes at the time they failed.

201. Can any house calling itself a bank issue notes at Calcutta ?—Yes, there is no legal impediment at present.

202. Do they pay interest upon deposits ?—They do.

203. At what rate ?—It varies ; two and a half per cent. and three per cent. These are deposits liable to be withdrawn at a moment's notice.

204. What is the usual rate of discounting bills ?—That varies very much with the credit of the parties ; I have known it from six to twelve per cent.

205. In advances, what do they charge ?—The bank of Bengal rates are considered the criterion. When I left Calcutta, the houses of tolerable repute had their acceptances discounted at seven per cent.

206. Do you conceive that in their dealings with the natives in carrying on the trade, the Company have now any other advantage over individuals than that which is derived from the amount of their pecuniary means ?—I think commercial agents have a great deal of influence in their situation, independently of the command of funds, though the command of funds is probably the most material.

207. You spoke of an old regulation which has lately been rescinded, is this the rescinded regulation you alluded to (*a paper being shown to the Witness*) ?—It is ; it is a Regulation 9 of 1829, repealing a Regulation 21 of 1793.

208. Have not the Company this overwhelming advantage over private merchants, that they may issue as much paper as they please ; and that they have been, within the last two or three years, borrowing money at five per cent., and issuing it without any restriction, and even paying for their indigo investments by issues of five per cent. paper money ?—The Company's treasury has been open for the last four or five years for the issue of what we call treasury notes, which in fact are something in the nature of exchequer bills ; they bear interest at from four to five per cent : I believe five per cent. is the rate they now bear. Of course there is no control over the issue of that paper beyond their own discretion.

209. Have not those issues been known to have been made to a very large amount, in payment for investments of indigo, in the last two or three years ?—I am not aware that they pay for indigo actually in exchequer notes ; but the exchequer notes being obtainable for money at the treasury,
it

10 March 1831. 1591. Is there any duty upon the cotton goods of India imported into Java?—A duty of fifteen per cent. upon the invoice, not an *ad valorem* duty.
 — G. Maclaine, Esq.

1592. Is not English twist also sent out to Java, and woven there?—It is; but not in very large quantities; not in such large quantities as to the other parts of the East.

1593. Have you ever heard that twist has been sent from the Netherlands to Java?—I saw an entry in the public accounts, which I thought to be British twist, but it was cleared out from the Netherlands.

1594. Is European iron much consumed in Java?—There are about 3,000 tons a year.

1595. Does Java produce iron in any quantity?—Very little.

1596. Is the European iron used there chiefly British or Swedish?—Both are used, but Swedish is preferred.

1597. Is it taken there in an unwrought state and fabricated into agricultural implements?—It is.

1598. Is there any wrought iron used there?—A very small quantity. There are some cast-iron pots and pans from Cochin China and Siam used in distilleries and sugar-works.

1599. From whence is Java supplied with copper?—Chiefly from Japan: all the unwrought copper comes from Japan, and the wrought copper, such as sheathing, from Great Britain.

1600. Is not opium a considerable import into Java?—It is, to the extent of about 600 chests a year.

1601. In 1820, what were the proportions of Bengal opium and of Turkey opium consumed in Java?—Three-fourths of Bengal and one-fourth of Turkey; and in the year 1829 the proportions had been exactly reversed, about three-fourths of Turkey and one-fourth of Bengal.

1602. Is any revenue derived from the import of opium by the Dutch?—Between 3,000,000 and 4,000,000 of guilders, including the monopoly and the import duties. From a note in my possession, I find the whole revenue in British money, £262,536.

1603. Can you state what enhancement upon the original price of the opium the consumers pay in consequence of this monopoly?—From 600 to 800 per cent.

1604. Do you know what was the total amount of the customs of Java in 1828, exclusive of the duty on opium?—In the year 1828, the customs of Java amounted to £225,405 sterling, or between £30,000 and £40,000 less than the revenue derived from the opium alone.

1605. What are the staple articles of export from Java?—Coffee, sugar, rice, spices, tin, tobacco, indigo, arrack, and hides.

1606. Is

it has the same effect. A man having a certain sum in cash, has only to go to the treasury, and he can get the exchequer notes, which run for nine months, and they pass from hand to hand as cash.

17 Feb. 1831.

T. Bracken, Esq.

210. Have not the Company at the same time been sending home large remittances to this country in specie?—I do not think that last year they sent any specie; the year before they made a large remittance in specie.

211. Are there any banks in the interior, beside the three you have mentioned in Calcutta?—There are no issuers of notes. There are native bankers, who are what are called shroffs, more engaged in discounting than any thing else; they issue bills of exchange, which are called hoondees.

212. Is there much circulation of bills of exchange in the interior?—Very great.

213. For how small a sum are they?—I have seen them for so small a sum as nine rupees. An officer at Cawnpore wishing to remit to Calcutta any sum, can always procure a hoondie from a shroff, drawn upon a shroff in Calcutta.

214. Do those bills of exchange circulate in the country?—Yes; the interior inland business is conducted by hoondees. The great banking houses at Benares have branch establishments in almost all the native cities, and a very large business is conducted by hoondees.

215. What do you suppose is the whole amount of bank note speculation in Calcutta?—At present the private circulation is very limited; indeed, in consequence of Palmer and Company's failure, there was a run upon the private banks, and their issue was in consequence very much reduced, in fact, almost to nothing; but the bank of Bengal escaped pretty well, and their issue I should imagine to be about eighty lacs of rupees.

216. Is there any stamp or duty on bills of exchange?—There is, or ought to be; there is by regulation.

217. Are the provincial bankers chiefly natives or Europeans?—Almost entirely natives.

218. With respect to exchequer bills, can the holders of them demand payment of them at any time?—Only when they become due.

219. Is it the custom to renew them?—Yes; but of course not against the option of the party.

220. Would the firm to which you belong, or any other house of business in Calcutta, prefer employing one of the commercial agents of the Company to one of the ordinary agents?—I do not know that the commercial agents of the Company would be allowed to transact any business for private houses; but we should prefer employing a man of our own.

221. Do you consider the Company's commercial agents skilful and economical merchants, and as such would you employ them in preference to ordinary agents?—I do not think, generally, the system is a good one in which

1606. Is the culture of coffee on the increase or decrease in Java?—At 10 March 1831.
present on the decrease, I should think.

1607. Is it not in a great part a monopoly of the government?—In a great
part. *G. Maclaine, Esq.*

1608. What is the quality of the Java coffee as compared with other
coffee in the London market?—I think it ranks with St. Domingo; it is not
of a very high quality.

1609. Is the coffee produced upon the government estates superior to
that produced by natives, or to that produced by European planters?—The
government coffee is superior to that produced by the natives, but inferior
to that produced by European planters.

1610. Is the cultivation of sugar on the increase or decrease in Java?—
On the increase.

1611. Is there a considerable opportunity for the increase of it, supposing
there was a foreign demand?—A great field.

1612. Is not rice one of the chief articles of export?—It was very exten-
sively exported in 1828; the export amounted to about 26,000 tons.

1613. To what countries is it chiefly exported?—To the neighbouring
islands, to China, and to Europe, and to the Isle of France, and small
quantities to the Cape.

1614. Is it subject to any duty?—To a mere trifling duty.

1615. You have stated that indigo is also an article of export, is that on
the increase?—The export of indigo in 1828 amounted only to 24,000
pounds weight; the production of the island in 1829 was 120,000 pounds
weight, and it is rapidly increasing.

1616. To what do you attribute that great increase?—Chiefly to the en-
couragement of the government.

1617. Have any improvements been recently introduced from China in
the mode of cultivating it?—Some Chinese attempted the cultivation of it
very successfully, and their example was followed by some Europeans within
these last three years. The principal indigo planter is a Chinese.

1618. Is it of good quality as compared with the Bengal indigo?—Some
samples which I brought home with me I considered equal to fair Bengal,
but, from the chests being packed very unevenly, the purchasers had very
little confidence in it. Its being a new article is also against it.

1619. Is not the defect of ill packing one which is easily remedied?—
It is.

1620. Is tobacco exported in large quantities from Java?—Very largely;
between 1,300,000 and 1,400,000 pounds weight; worth about £40,000
sterling.

17 Feb. 1831. which they are brought up; but I have nothing to say against the individuals.

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222. Do you consider the Company themselves skilful and economical merchants?—I should think not.

223. You stated that there ought to be a stamp or duty upon bills of exchange; is that evaded?—Very much.

224. Is it large in amount?—The stamp itself is not very large.

225. Is the bank of Bengal exclusively the bank of Government?—No; there are private proprietors also; the Government hold, I think, three-hundred shares.

226. Do they do the Government business?—No, they do not, they are merely a bank of discounts. The advantage they have over private banks is this: the Government passed an order by which the collectors of the districts in the neighbourhood of Calcutta, as high, I think, as Benares, are allowed to receive bank of Bengal notes in payment of revenue; the consequence is, that the circulation of the bank of Bengal is very extensive through the whole of the Lower Provinces.

227. Do the Government use no bank in their transactions?—No; the bank notes received by the collectors in the provinces are remitted to the general-treasury in Calcutta.

228. Do they keep any account with the bank?—No private account.

229. Is the Government supposed to be accountable for the bank of Bengal?—That is the impression among the natives; but I doubt whether they are answerable in law, more than to the extent of their shares.

230. Are you not of opinion that the large proportion of the gross produce of the soil which goes to the Government in the shape of taxes, interferes materially with the rate at which individuals cultivating the soil can borrow money?—Of course, any large receipts from the land must interfere with the value of that land.

231. Therefore the risk is much greater to the person lending the money?—Of course.

232. What proportion does the land-tax bear to the gross produce of the soil?—I am not competent to state the exact amount.

233. For what term are the bills of exchange commonly drawn in the Upper Provinces?—They vary from fifty days' date to ninety and one hundred and one days' date; but at fifty days date' most of the hoondees are negotiated in the Upper Provinces.

234. Are there not a few estates at present held by British-born subjects in perpetuity, or on a long lease; and if so, have the goodness to enumerate them?—I only know of one estate that is held by an European altogether in

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They shall be obliged to submit all contracts with the inhabitants now existing or afterwards to be entered upon to the registration by the resident ; and it is hereby stipulated that every grant or lease of ground of which such a registration shall be omitted *de facto*, shall be considered as to have taken place under the general conditions existing on the private estates in the vicinity of Batavia, and the renter to have the continuing use of such ground worked for the first time or cultivated by him at the rate of one-fifth of the crop.

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The proprietors are allowed to plant coffee and to undertake all other sorts of culture without any restriction whatever, and are assured the free disposal of all kinds of produce thus cultivated, with the exception, however, of the poppy, in regard of which they remain under the general stipulations to be issued by government about the culture of the same ; and they shall be responsible personally for all infractions on this head of which the inhabitants will be found guilty.

The proprietors have no liberty to expel any of the inhabitants settled on those lands, but are obliged, if any reason should be existing for the removal of such inhabitants, to bring the case before the resident for his decision, and shall in such cases be followed the usances and regulations existing in the residency of Batavia.

All privileges and benefits by custom and usance allowed to the Javanese Dessas people, and granted to the population of government lands, are allowed in general to the inhabitants of those grounds, especially the free election of their own Dessa chief, subject, however, to the approval of the proprietors ; but if they should not agree, the case shall be submitted to the decision of the resident.

As long as no other regulations shall be issued, the execution of the police remains with the government native administration of the districts and divisions of which those grounds form a part ; the proprietor therefore may not assume any right, authority, or power against the existing orders.

It remains the duty of the population to make and keep in repair the public roads and bridges on or along those grounds, and also to transport goods belonging to government upon the same footing as the population of lands immediately belonging to government, and this duty is to be understood as well for the roads and bridges to be made in future, as for those existing at present.

The *bezars* and *ferries* on the said lands remain the property of government, and they shall be included in the yearly general disposal of government farms, or be disposed of on any other way ; the proprietors therefore may not levy any duty of such a description on their lands, or establish any *bezar*, *ferry*, or *warong* without the special consent of government.

The land and house-tax, and any other taxes at present levied, shall be, for the current year, in favour of government ; and the new proprietor must pay the amount thereof into government's treasury, according to the already formed estimations, before or on the last of December next, binding the said proprietor himself to pay also, before or on that date, the arrears of the land and house taxes of 1827.

On the other hand, the proprietor shall be liberated from the payment of quit-rent for the current year.

The purchasers must pay the stamps and fees by the transfer of this land ; but the duty known under the name of *Geregtigheyd*, shall not be levied of the same. Of this transfer shall be made a proper act before the court of justice, in which shall be referred to this agreement, considering the same as verbally inserted in the instrument of transfer. The purchasers, further, shall be obliged to have the land measured by the sworn surveyor, as far as such did not take place before this ; for their account they

T

must

in his own name, and that I believe is almost a single instance throughout India. 17 Feb. 1831.

235. What is the name of that estate?—It is an estate called Fort Gloster, which is about fifteen miles from Calcutta by land; it is an estate of about 800 acres. *T. Bracken, Esq.*

236. Do you know the circumstances under which it was obtained?—It was a grant, I believe, originally from Warren Hastings to a Mr. Lambert, in perpetuity, without any Government land-tax; it was granted to Mr. Lambert and his representatives. That is now the property of a firm called Scott and Company; but the manager is a gentleman of the name of Patrick.

237. Do you know the circumstances of that estate?—I have been there often.

238. Is it in a high state of cultivation?—The most part of it is rice land.

239. Do you know whether the proprietor of that estate finds any difficulty in obtaining tenants?—On the contrary, he has rather a difficulty in excluding them; he finds the people anxious to become his ryots.

240. Do those ryots pay direct to him?—They do.

241. Do you know whether there are any estates held in perpetuity in the island of Saugur?—I do not know whether they are in perpetuity, or on a very long lease of 900 years; there are several grants of land which have been cleared, where there is rice growing, and where there is a large population.

242. Do you know any thing of the estates in the island of Saugur?—I have been there. One or more of the members of the firm to which I belong purchased from the Saugur Island Society a quantity of land there; they have been for the last two years clearing it. I went down there about a twelvemonth ago, and passed a day or two in the place. There are about 8,000 begahs of that particular estate cleared, and there are about four hundred families resident on that part of the island. There are other estates which I had not an opportunity of going over, which are rather larger, and I suppose there may be altogether from 50,000 to 60,000 begahs cleared. Saugur is at the mouth of the river Hoogly.

243. Was that at all cultivated previously to the formation of this company?—No. An attempt had been made to clear it by an extensive company, but after expending a large sum, it seemed likely to fail, and they did not like to continue any further expense. Some individuals then applied to the parent society, if I may so call it, for parts of the island, and agreed to continue the clearing.

244. Is it a fertile spot?—I saw no difference between the rice that was produced there and any other.

245. Is it subject to inundation?—Not in the cleared parts now; it was, and that has been the great expense. In 1822-23, after considerable sums of

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must cause to be drawn an accurate chart thereof, and this chart must be sent in to the director of government revenues and domains.

And such free and without any incumbrance, for an amount of 70,000 guilders, which purchase amount the appearer in his said capacity declared to have been paid in seventy certificates of the Netherland India Achirst, and each amounting to 1,000 guilders, with the coupons attached to them, from 1st January 1829, to 1st January 1833, promising therefore to free and keep harmless this transfer duly.

This sale has been duly notified to the surveyor, according to a certificate granted by J. H. Horst, surveyor, on the 10th December 1828, shown to us the commissaries.

The holder of this act must take care that in the event of sale, gift, inheritance, or any other transfer of property of the said extent of ground, the transfer in the name of the now proprietor must take place within the stipulation of six months, ordered by advertisement of the India Regency, dated 27th December 1767, on pain of the fine in case of neglect.

Thus done sincerely, and have we in testimony of the truth confirmed this act with our usual signatures and seal.

Batavia, at the City Hall, 11th December 1828.

(Signed) J. S. LIESART. R. P. VERMEULEN.

To which were added two seals in red sealing-wax, known to me,

(Signed) P. VAN HOEK, Registrar.

I, the undersigned, do declare that this sale, according to a resolution of the India Regency, dated 30th September 1828, No. 12, above-mentioned, is liberated of the payment of the duty of seven per cent., known by the name of Heerar Geregthigheyd.

Batavia, the City Hall, dated as above.

(Signed) P. VAN HOEK.

A faithful translation.

Batavia, 20th Dec. 1828.

(Signed) K. HEYNIS,
Sworn Translator.

1671. Is any land held by Chinese on the same terms on which it is held by Europeans?—There is.

1672. Do you know what proportionate quantity?—I should think the Chinese hold a fourth, perhaps, of the 5,000 miles I have mentioned.

1673. Are those lands thus held by Europeans and Chinese in the most populous and cultivated parts of the island?—In the least populous and cultivated parts.

1674. Has much capital been invested by Europeans and Chinese in the cultivation of their estates so acquired?—A very considerable capital has been invested.

1675. Has machinery been introduced for agricultural or commercial purposes?—Machinery from Europe has lately been introduced: sugar-mills, and

17 Feb. 1831. of money had been laid out in embankments, there was an unusually high tide from the sea, which carried every thing away, and created a great additional expense to restore those embankments.
T. Bracken, Esq.

246. What is the chief production of that land?—At present nothing but rice, and a few vegetables.

247. What is the extent of the island?—I do not exactly know ; I should think about six or seven miles long, and a mile or a mile and a half broad in different parts.

248. Has not a large sum of money been employed by different individuals?—A large sum in the first instance, and the result was unsuccessful ; then the society almost left the subject, and individuals took an interest in it, and obtained grants of a certain portion of it, and their efforts have been more successful. There are two gentlemen, of the name of Campbell, who are in charge of large divisions of it, who are doing very well.

249. Has there been a fair return upon the capital expended upon it?—Not yet ; hitherto the ryots have had the land for clearing.

250. Do you know anything of the cultivation of coffee in India?—I only know it incidentally.

251. Is it in general cultivation there?—No ; there have been many attempts made, but they have invariably failed.

252. Have the attempts been made by natives or Europeans?—By Europeans.

253. Do you know in what parts of India coffee is produced?—Of the two plantations I have seen, one is in the neighbourhood of a place called Keerpoy, in the district of Midnepore.

254. Are those plantations both conducted by Europeans?—They were ; one was a Spanish gentleman, but I understand they have quite failed.

255. Do you know the cause of the failure?—Various reasons have been assigned ; but I believe it is generally supposed that the Bengal sun is too powerful. An attempt has lately been made of planting the plantain tree between the coffee trees : the plantain tree having a very broad leaf, it was supposed that it might act as a protection to it, but I do not know the result.

256. Are you not of opinion, that considering the variety of climate and of situations which exist in our Indian empire, it is probable that coffee might become in some parts a valuable product?—I cannot speak to that.

257. Do you know to what extent coffee is produced in the other presidencies?—Not at all.

258. Is there any other product which you think might with advantage be introduced into India, which is not now generally grown?—I am not aware of any.

259. Does the production of silk require a large capital?—I should think to carry

and also mills for husking and cleaning rice, have been erected on the spot, under the superintendence of British engineers. 10 March 1831.

G. Maclean, Esq.

1676. Has the cultivation of the land been much improved by irrigation, or otherwise?—Very much improved in the western district; watercourses have been cut, and lands have been irrigated which were thought incapable of irrigation by the natives.

1677. Has the population increased upon those lands?—Very rapidly.

1678. To what do you attribute that?—To the partiality of the natives to place themselves under Europeans, and to the good conduct of those Europeans generally.

1679. Can you state the rate of increase on any particular estate?—I can mention one or two particular estates. The estate of Currepan, an estate held in full property, when purchased by Mr. Menzies in 1823, contained only 4,340 souls; in the beginning of 1829 the population amounted to 6,200, and the increase has since gone on at a much quicker ratio. The estate of Singosarre, a small coffee plantation, situated in the native provinces, when Mr. Stavers obtained possession of it in 1821, contained only seventy families, and in 1825 the population had increased to 1,300 families.

1680. Has the condition of the inhabitants improved also as well as their numbers increased?—It has.

1681. Do they appear to adapt themselves easily to the wants of Europeans?—Very easily. They generally give a preference to plantations possessed by Europeans: I have seen them resort in great numbers to the estates held by Europeans, both from the government territories and from the native provinces.

1682. You have stated that machinery has been introduced from Europe for the sugar works, and for the husking of rice; has it not also been introduced for the pressing of oil?—It has. Since my arrival in this country I sent out an oil-press.

1683. What are the plants from which oil is derived?—The Earth-nut and the Palma Christi, the latter of which produces the castor oil.

1684. Can you give any instance of the saving of labour which the introduction of machinery has caused?—The saving of labour upon the estate at Currepan for husking and cleaning rice is very great. By means of this machinery a quantity of rice which took three hundred labourers a day by the usual Javanese method, can be accomplished in the same time with the aid of fifteen labourers.

1685. Is it moved by wind or by water?—By water.

1686. Are there great facilities in Java for the erection of water-machines?—Very great facilities; there is an abundant supply of water in almost every part.

1687. How did you acquire the property of your estate; was it by free grant

to carry it to any advantageous result it would require a very large capital. The silk filatures are expensive establishments, and have a great deal of building connected with them for carrying on an improved method of preparing the silk. 17 Feb. 1831.
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260. Is it at present produced by ryots?—It is; but the Company have been at a large expense in building filatures upon an improved construction.

261. Are the worms fed upon the mulberry trees in India?—Yes.

262. Would it be necessary to plant fresh mulberry trees to extend the cultivation of it there, or do mulberry trees abound to any extent?—I think they abound to a great extent. In many parts of India where I have been, I have seen large fields covered with them.

263. Is the knowledge of the English language extending among the natives?—In Calcutta it is very much, and there are day-schools where the children learn it.

264. Is the Christian religion extending among them?—I do not think there is much extension of that.

265. During your residence of fifteen years in India, do you know of a single instance of the real conversion of a native of India to the Christian religion?—I cannot say that I individually know any person who has been converted; but I have heard a clergyman of the name of Hill say, that he has seen one or two villages in the neighbourhood of Calcutta, in which the inhabitants have shown a disposition to become converts to Christianity. I conceive that the higher class of natives in Calcutta are getting rid of Hindooism, but I do not know that they have adopted any other religion.

266. Are you aware that silks are now imported into India from this country?—Yes, I am aware that they are; piece-goods.

267. And cottons of course?—Yes.

268. What duties are those goods subject to on being imported at Calcutta? I cannot immediately recollect; I think not more than five per cent. *ad valorem*.

269. Are not those goods imported into Calcutta duty free?—I think there is five per cent. charged upon them: it is considered, however, a very moderate duty, whatever it is. I do not believe it is considered as at all interfering with their importation.

270. Is there any duty upon the importation of metals?—Upon metals I do not believe there is any duty, or if any, very slight indeed.

271. Is there not a very considerable improvement going on amongst the younger branches of Hindoos at Calcutta?—They are becoming certainly much better educated, and divesting themselves of many of their prejudices.

272. Do they not generally learn English?—Those of the higher class do. Besides public institutions, there are some few private individuals engaged in teaching children of the higher class.

10 March 1831. *G. Maclaine, Esq.* grant or by purchase?—The estate was purchased in 1821 from a Dutch gentleman.

1688. Were not very considerable purchases made from the English Government during the time they were in possession?—Very considerable; several very large estates.

1689. You have hitherto confined yourself to lands held in fee by Europeans and Chinese; do the Europeans also hold any lands on leases from the natives?—They do. The leaseholders in the native provinces amount to ten or twelve, and the extent of land about five hundred square miles.

1690. Had you any land on lease?—I held two leaseholds in the native provinces.

1691. On what terms are such leases generally taken?—The conditions of the lease are generally the payment of rent, and occasionally some feudal service required by the princes, and the duration of the lease is about twenty years in general.

1692. Are their leases ratified by the government of the country?—The leases were originally ratified by the signature of the European resident at the native court.

1693. Have those leases been always respected by the government?—No; they were cancelled by the Dutch colonial government in 1823.

1694. Have any discontents or disturbances been consequent upon the cancelling of those leases?—I think the insurrection in Java may in some measure be attributed to the cancelling the leases. Two planters in the Djæjoe Juju district whose leases were cancelled, were paid the amount of the indemnification allowed them by the government from the Soultan's treasury; they were paid by the European resident at the court, without consulting a native prince called Dipo Nigero, who became afterwards leader of the insurgents, and who was guardian to the Soultan, the latter being a minor. This prince naturally took umbrage at the money being appropriated without his consent, and he also felt indignant at the leases having been cancelled, and the little respect paid to the seal and signature of the former Soultan. The Javanese attach great importance to the seal of any of their ancestors, and many of the princes would as soon forfeit their lives as allow any treaty ratified by them to be cancelled.

1695. Has not an European proprietor generally, from the extent of his estates, a great many tenants?—He has.

1696. In what way does he collect his rents?—Upon land held in property, always in kind.

1697. Is there any difficulty in collecting rents upon land so held?—I have never experienced, any.

1698. How is the rate of rent settled?—We are only allowed, as will be seen

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273. Do you know whether they have a debating society?—I understand they have.

274. Do the natives show any aptitude for learning the English language?—Yes, the children are quick and intelligent.

275. Do they learn any other language, such as Sanscrit or Arabic?—Some of the higher classes, or those who are intended for the courts of law.

276. Do they show any preference to the English language?—I think of late years they have.

277. Who are the parties, besides the English, who are engaged in commerce at Calcutta?—There are French, Portuguese, Arabs, Jews, Armenians, and also people connected with the eastern islands, and Burmese.

278. Are there many Chinese?—Not many commercial: lately two large ships arrived from Cochin-China, that is the first direct trade that we have had with that country for some time.

279. What would be the condition of Calcutta if the whole trade were left to natives and the East-India Company, to the entire exclusion of British-born subjects?—I think it would dwindle away in the course of time.

280. Was not the island of Saugur entirely covered with forests when Europeans began to cultivate it in the year 1818, and would not it have continued so had not European capital been invested in its improvement?—Certainly an impulse was given by Europeans to some natives to unite in that society; there are now 7,000 or 8,000 inhabitants on the island altogether.

281. Is it not your opinion, that the trade between India and this country is very much limited by the operation of the heavy duties in this country?—On some articles, particularly sugar and silks, and to a certain extent, cottons; but I do not think our cotton is yet sufficiently good to vie with the American cotton.

282. What do you think will be the effect of laying a duty of a penny a pound upon East-India cotton?—There was little or none came home last year from Calcutta, even without the penny; but the increase of that penny will make above twenty per cent. difference against the Bengal cotton.

283. Does not it come chiefly from Bombay?—Now it does; but formerly there were large importations from Calcutta, in 1817 and 1818.

284. Why has the importation of that article fallen off?—From the competition of the American market.

285. Do you not conceive, supposing greater skill were to be employed in the cultivation of cotton, as it is in the cultivation of indigo, that the cotton of India might be very much improved?—I have no doubt it would ultimately.

286. Is there any reason to imagine that it would not be as good as the cotton produced in the Brazils or in the United States of America?—It would,

seen by the title-deed, to take one-fifth of the produce of the estate from the natives. 10 March 1831.

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1699. Does that refer to land which you have cleared or irrigated yourself?—On land brought into cultivation by the proprietors we are allowed to take a third, or more or less, according to the productiveness of the soil.

1700. Is not the irrigation conducted on so extensive a scale, that the same machinery will often irrigate many square miles?—It will.

1701. And therefore it would be impossible for the tenants to carry on a system of irrigation, upon their own particular estates, to advantage?—Certainly; they have not the capital, nor have they industry, unless stimulated by Europeans.

1702. What is the length of a term generally between an European leaseholder and his under-tenant?—There are no formal leases granted to them; it is merely a verbal agreement.

1703. Is it the practice to remove tenants frequently, or do they generally remain on the same property?—They generally remain on the same property.

1704. On the lands so held by Europeans or their sub-tenants, does the government collect any tax?—None whatever, except the land-tax or property-tax of one per cent., which is paid by the proprietors.

1705. What is the conduct of the European proprietors and their tenantry towards each other; are there frequent affrays, or do they live in a state of harmony?—They live in a state of harmony.

1706. What is the state of morals generally among the people in Java?—On the estates held by Europeans I have seldom or never heard of thefts or robberies being committed.

1707. Are such crimes common among the natives who are independent of the Europeans?—Very common.

1708. Is it your opinion, that the introduction of European capital and of European residents has, to a certain extent, improved the condition of the natives?—It decidedly has.

1709. During the insurrections, did the residents on the European estates mix in those troubles, or did they remain quietly at home?—They remained quietly at home; and they were often of the greatest assistance to the government. I have known a small fort saved by the population of one estate held by Europeans.

1710. Do you think that the condition of the natives under European protection is in a state of progressive improvement, or otherwise?—It is in a state of progressive improvement.

1711. Have the European proprietors any difficulty in procuring labourers or tenants?—None whatever.

1712. Will

would depend upon the skill. I believe there is a particular kind of cotton in India equal to any in the South Sea Islands, which I believe is the best, but it is in a part of the country that does not belong to the Company, it is in the neighbourhood of the Silhet hills. It is a very superior description of cotton, and specimens of it have been shown to a gentleman of the name of Finlay, who is employed in the mills near Calcutta, which I understood he stated to be equal to any cotton he had ever seen; but it is at present of very limited cultivation.

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287. Is there any cotton in India that grows close to the sea, in the manner that the sea cotton does in Georgia and Carolina?—Not that I know of. It has been attempted in Saugur, but I understood that the expense was so great in protecting it, that it failed.

288. Are you yourself acquainted with the cultivation of cotton?—Not personally.

289. Is there not a good deal of trade between Calcutta and the Burman empire?—It is increasing every year.

290. Can you state what are the articles imported from the Burman empire?—Bullion and teak timber.

291. What metals in general?—Silver.

292. Do you think that the intercourse has increased since the British conquest of Burmah?—I think it has; but it is not a very great trade.

293. Have you been engaged in the trade between Calcutta and China?—Very largely.

294. Is that on the increase?—It is.

295. What are the articles chiefly exported?—Almost entirely opium and cotton; but the Company deal more largely in cotton than private traders now.

296. What is sent in return from China to Bengal?—Almost entirely bullion, or bills on the Bengal government.

297. What do you suppose is the reason that East-India tobacco is not imported into this country?—It is prohibited by Act of Parliament, or the duty is so very high.

298. What is the bullion chiefly imported from China?—Chiefly Spanish dollars; sometimes in sycee silver, but the sycee silver is smuggled.

15 March 1831.

J. Crawford, Esq.

You are at full liberty to make use of this communication, and of my name, in any way you may please; and with my best wishes for the success of your endeavours,

Pray believe me your's, very truly,

HENRY PIDDINGTON,
Foreign Sec^y Ag^t and Hor^l Soc^y of Calcutta,
Care of Messrs. Mackintosh and Co., Calcutta.

Nuintollah, 15th August 1829.

WE the underisigned cotton-brokers having been requested by Cropper, Benson and Co., merchants of Liverpool, to examine and value a sample of cotton received by them from Calcutta, and grown in its vicinity, do give it as our decided opinion that it is a very useful description of cotton, clean, and fair in colour and staple, and that it would now meet with a ready sale in this market at 6½d. per pound, whilst the average quality of other East-India cotton, commonly sold under the denominations of Surat and Bengal, is not worth more than 5d. per pound; and that of nine-tenths of the cotton grown in the United States of America is of the value of 6½d. per pound.

Liverpool, 6 mo. (June) 23d, 1830.

ISAAC COOKE.

RICHARD BATESON.

ALFRED WATERHOUSE.

COLIN CAMPBELL.

RICHARD TESLEY.

JAMES RYLEY, JUN.

WILLIAM MYERS.

1873. Is there any cotton cultivated by Europeans in Bengal?—None, except as an experiment. There is now under cultivation some Sea Island or other American long-staple cotton in the island of Saugur.

1874. What is there to prevent them from cultivating cotton as they cultivate indigo in the same provinces where cotton is grown?—There are a great many circumstances which prevent it. The province of Bengal itself is unfit generally for the cultivation of cotton; that province affords no cotton for exportation; their cotton requires great skill and great attention; it requires great skill also in separating the seed from the wool; it is extremely liable to depredation; a whole cotton-field might be plucked in the course of a night in a country where there are no fences, and little protection from such depredations.

1875. Can you state the amount of cotton consumed at the present moment in the United Kingdom within any given period?—Fifteen thousand bales a week was the quantity consumed at Liverpool last year.

1876. Was there not a period very recently at which the stock was reduced to a very low ebb?—Yes; a merchant of Liverpool informed me that in the year 1815 the whole stock of cotton in the market, good, bad, and damaged, amounted to no more than 4,000 bales.

1877. Is not the consumption of cotton in this country increasing with great rapidity?—Yes, with extraordinary rapidity.

1878. Do you not conceive that it is necessary that some new source of supply should be opened for the cotton required?—Yes; I think we ought to be rendered, in a good measure, independent of a foreign country. The
existence

22 Feb 1831.

T. Bracken, Esq.

Martis, 22^e die Februarii, 1831.

THOMAS BRACKEN, Esq. again called in, and examined :

299. Do you wish to correct any part of your evidence on a former day ? —I made a slight mistake, with respect to the duty on cottons imported into Calcutta. It ought to have been two and a half per cent., instead of five ; five is only applicable to the duty on goods imported in foreign bottoms.

300. Exclusive of the vegetable productions of the soil, what other commodities do you apprehend that India is capable of producing, by more extensive application of British capital ?—Coal, iron ore in great abundance, and potash.

301. Have you any personal knowledge of those articles ?—I have been a good deal interested in coal. The house to which I belong have large mines, in a district called Burdwan, about 130 miles from Calcutta, which are now worked to the extent of about 14,000 or 15,000 tons of coal annually.

302. How long have they been worked ?—Not more than about six or seven years in extensive operation. They were established about fourteen years ago by a gentleman, who obtained permission of the Bengal government to search for coals in different parts of India ; and on making a report to the Bengal government, they agreed to advance him a sum of money to prosecute the inquiry, if they could get security. The house I belong to became security to government ; he selected this spot as being the most eligible for mines. He afterwards died, and the security was called for. We became the proprietors of the mines, by purchase from his executor. At that time there was no great demand for coal, but since the introduction of steam-engines it has been very great indeed.

303. What was the name of the person ?—Jones. It is principally used for steam-engines ; and it has also been applied lately for the purpose of burning bricks.

304. Are steam-engines in extensive use in India ?—They are increasing. There are a good many steam-boats, and engines for different purposes are coming out ; the East-India Company buy a large quantity of coal of us for their steam-boats. We send coal for them to Singapore, to Penang, Madras, and Ceylon.

305. Has the navigation of the river been much improved by steam-boats ? —As far as regards Calcutta to seaward. The tugs take ships out now with great facility. Formerly it was, perhaps a fortnight from Calcutta to Saugur ; now they get down with the aid of steam-vessels in one or two days.

306. Were they not often detained by the freshes in the river ?—Yes ; the detention arises from the very strong tides and freshes, which the steam-boats enable a vessel to get over.

307. Have

existence of the manufacture at present depends almost entirely upon the supply of the article from the United States of America. 15 March 1881.

J. Crawford, Esq.

1879. Do you think, if all restrictions were removed, that Europeans would cultivate cotton advantageously in India?—It is very difficult to say to what objects capital would be applied under such circumstances, whether to cotton or other articles, but that capital would be extensively applied I have no doubt; and I think it very likely it would early be applied to the cultivation of cotton, considering the attempts that have been made to grow it, even under the present discouraging circumstances.

1880. Can you give the Committee any information with regard to the growth of the mulberry-tree in India?—As it is of importance that the exact species of the mulberry cultivated in India should be known, I consulted two very able botanists upon the subject, Mr. Henry Colebrook, who is intimately acquainted with India, and a man of great eminence, and Dr. Wallich, one of the first botanists that has ever been in India, and they tell me that there are three species of mulberry cultivated in India; the white mulberry, which is used for feeding silk-worms in Europe; the dark-purple mulberry, which is used for the same purpose in China; and the Indian mulberry, botanically a distinct species from the first two. It is this last alone which is ever used for feeding silk-worms in India.

1881. Is the mulberry largely cultivated in India?—For the purpose of feeding silk-worms it is confined entirely to Bengal Proper.

1882. Do you conceive it to be capable of considerable increase?—It has been increasing: it has never been tried, that I am aware of, in any of the northern provinces of India.

1883. Has the situation of the indigo planters, and the cultivation of indigo in India, attracted your attention?—Yes, a great deal.

1884. Are you aware that in the year 1829 certain enquiries were sent out from this country by the Court of Directors, as to the state of the indigo planters, and their relations with the natives and with the government?—It was so reported in Calcutta, and the report was credited there: I have no authentic means of knowing that it really was so.

1885. Are not the indigo plantations carried on principally by means of capital advanced by the inhabitants of Calcutta?—Carried on generally by the houses of agency, banking-houses, and merchants of Calcutta. But that is by no means always the case: there are men of large property in this country who are indigo planters; there are also indigo planters on this spot who are men of independent property.

1886. Are not the men in this country to whom you allude men who have come from that country?—Either they or their heirs.

1887. In consequence of the report which you state to have been current at Calcutta, that orders had gone out to investigate the relations subsisting between the indigo planters and the government and the natives, did the inhabitants of Calcutta also make similar inquiries?—Yes; the merchants of Calcutta

307. Have the government used this coal extensively in their public works? —Yes; we have a contract with the government to supply them at a certain rate for all purposes connected with their marine department, and also for their mint department. 22 Feb. 1831.
T. Bracken, Esq.

308. Is the coal-mine conveniently situated for water carriage?—It is on the banks of a river connected with the Hooghley; the bends of the river make the distance from 200 to 300 miles.

309. What distance from Calcutta?—By land it is about 130 miles; and the winding of the river makes it nearly double.

310. Is it in your estimation an extensive field of coal?—Very extensive, I should imagine; as far as we can judge from appearances, it must extend a great way.

311. And of good quality?—It is.

312. What is the thickness of the seam?—The seam we are now working is about nine feet deep.

313. Is it near the surface?—About ninety feet. We have found the present seam so productive, that we have not had occasion to go lower. We are carrying our galleries in every direction.

314. How do you drain it?—With a small steam-engine.

315. What number of people do you employ in working those mines?—From 2,000 to 3,000 people.

316. Of what description are they?—The natives, the ryots; we have only one European in charge. The mine was in a forest, and the people came in from the neighbouring villages. They have built small villages upon the spot, and there is an extensive clearance now.

317. Do you find the natives skilful?—As miners they work very well.

318. What rate of wages do they receive?—From three to four rupees, or 6s. to 8s. per month, according to their merits; some are higher than that, but they are in the situation of overseers.

319. Have they no other advantages except those three or four rupees a month?—No.

320. What is the average rate of wages in that neighbourhood?—I should think from two rupees and a half to three and four rupees, from 5s. to 8s., according to age, would be the highest rate.

321. Of course, the transport of the coal from the mines to Calcutta gives great employment on the river?—We employ a great many boat people. There is only one time of the year when you can bring down coal; the river is shallow except during the rains, and at that time 300 or 400 boats make three or four trips.

322. Of what description is the iron ore you mentioned?—In the neighbourhood of our mines there is a quantity of exceedingly fine iron ore; but I believe the better kind of iron ore is on the Madras coast.

323. Is

15 March 1831. Calcutta addressed queries to the indigo planters, and the replies to those queries have been transmitted to me, and I now have them here, and will beg leave to offer them in evidence to the Committee.

J. Crawford, Esq.

1888. Were those queries addressed to a great number of persons?—I suppose they were addressed to all the indigo planters; but I can only state, with respect to the replies which have been transmitted to me. I think they amount to about thirty-seven. I have made copies of some of them. I beg leave to state, before offering these documents to the Committee, that I am not authorized to give the names of the parties, nor of the districts in which they reside.

1889. Are you aware of the limits within which the indigo manufacture is carried on in India?—I think I may state generally that the cultivation of indigo is conducted from Dacca up to Delhi; indeed from the latitude of about twenty-two degrees up to about twenty-eight or twenty-nine.

1890. Can you state the average quantity annually produced for exportation?—About nine millions of pounds.

1891. Can you state what is the amount paid by British-born subjects at the places of production for rent and labour?—It is stated in one of the letters to amount to £1,680,000 sterling.

1892. Are you aware what proportion that bears to the rack-rent, or land-tax, of the whole ancient possessions of the Company thirty-eight years ago?—It is about one-half the whole rack-rent or land-tax that ruined three-fourths of the proprietors within a few years after it was established, and which tax, notwithstanding, is the best measure that I know of that the British Government has ever pursued in India.

1893. Do you know what is the value of the indigo which comes to Calcutta?—It is estimated at £2,400,000 on its arrival at Calcutta.

1894. What price does it realize in Europe?—According to estimates which I have seen, about £3,600,000.

1895. What is the effect upon the condition of the people of introducing the culture of indigo?—It has increased the rent of the land very greatly; it has raised the price of labour, and of course therefore improved the condition of the people.

1896. How does that improvement show itself?—By their being better housed and better clad.

1897. Have you resided at any time in any of those indigo districts?—I have stated that I have resided in the northern parts of India where indigo is cultivated; but it is a long while ago, and I have no distinct recollection of the culture. I am only giving the Committee the substance of the communications to which I have alluded, the letters themselves not being admitted as evidence.

1898. Have you taken pains to ascertain the state of the cultivation and manufacture of indigo in the East-Indies?—Yes, I have.

1899. Have

22 Feb. 1831.

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323. Is that easily converted into steel?—Not very easily; but the steel when made is exceedingly good. Some specimens have been brought to this country, and I understand that persons engaged in the trade have allowed that the steel is remarkably good.

324. In what condition is the country in the neighbourhood of the mines?—It is improved unquestionably; inasmuch as there is a great quantity of jungle removed, owing to the villagers settling on and near the mines.

325. To what extent has that removal of jungle been carried on?—I should think three or four miles all round. There is very little land on that immediate spot for the growth of rice; it is a bad soil for that purpose; here and there in the hollows they grow a little, but the general appearance of the country is very poor.

326. Is this part of the country subject to permanent settlement?—I suppose so; we hold it under perpetual lease from the Rajah of Burdwan, he is the zemindar of that district, and we hold it under him. As an illustration of the inconvenience of the Company's regulations, we could not hold it in our own name, though so much capital had been invested; and it was held in the name of a native servant of the colliery; but Lord Bentinck had been applied to, and I understood had agreed that we should hold it in our own name.

327. Is it a perpetual lease?—It is a perpetual lease on paying a quit-rent to the Rajah of Burdwan.

328. Are there any other coal-mines in India except your own?—There is a small one in the neighbourhood of our's; but it is at present worked very little; they have experienced great difficulty in getting the water out of it.

329. Are there any stone quarries?—We have also a stone quarry; there are a great many in parts of the country.

330. At what price is the coal delivered at Calcutta?—It is delivered at about 20s. a chaldron.

331. What is the difference between the price of the native coal and British coal, at Calcutta?—Ships from London and Liverpool often bring coal, but not in any great quantity, and dispose of it at about from 30s. to 40s. per chaldron. The East-India Company sent twelve ships out with coal about three or four years ago, not being aware, I believe, of the existence of these mines; and they had to pay a great deal more; I have been informed, so high as from 80s. to 90s. per chaldron landed in India; it cost them that rate.

332. Were the natives of India acquainted with coal before the opening of those mines?—They must have been acquainted with it, because there was a great quantity of surface-coal in different parts of India; but they had never sunk shafts.

333. Does it crop out in the immediate neighbourhood of the mines?—Yes, you can see it often in patches, but it is of a very inferior kind, slaty.

334. Are

1899. Have you received a great number of letters upon the subject from those actually engaged in that cultivation?—Indirectly from those engaged in the cultivation, transmitted to me by their agents, bankers, and constituents in Calcutta. 15 March 1831.
J. Crawford, Esq.

1900. Can you state any facts to the Committee, as to the progressive rise of labour and rent in consequence of the indigo cultivation in any particular district?—I am informed that in one district, which I believe to be the district of Tirhoot, the rent of land had risen from 2s. 8½d. and 3s. 3d. per English statute acre, to 4s. 7½d., and 7s. 6d.; and I think I may safely state, that in all the indigo districts there has been a rise of at least fifty per cent. in the price of labour; and with respect to rents in some districts they have risen four-fold, and very generally they have been doubled, since the first introduction of the indigo culture. The district to which I allude, in which they have been quadrupled, is Tirhoot.

1901. Can you state any facts as to the number of people employed in any district?—I cannot state the actual number employed in any entire district; I can state the number employed at particular factories.

1902. Was the land now employed in the cultivation of indigo under culture previously to the introduction of indigo?—I suppose in many cases it was. In the lower parts of Bengal the land used for indigo consists for the most part of sand-banks, produced by changes in the course of the great rivers, and on such land there were grown inferior crops, giving very low rents; they were fit only for such inferior crops as pulses and maize, and other low grains.

1903. Does the cultivation of indigo occupy a greater number of persons than the cultivation with which the land was previously occupied?—I cannot speak distinctly to that point; but in consequence of the augmented rents of those lands, there has been a necessity for clearing additional ones, and there has been a vast augmentation in the cultivation and clearing of the country in consequence of the indigo cultivation; consequently an increased population.

1904. What has been the effect of the introduction of indigo culture on the revenue?—I shall state it with respect to two districts. I understand that the original land-assessment and rack-rent of the district of Nuddea was ten lacks of rupees a year, or £100,000; the amount now annually laid out in rent and labour by the indigo planters is three times that amount, or £300,000 sterling. In Tirhoot, a very great indigo district, the annual outlay of the indigo planters for rent and labour equals the whole original rack-rent of the year 1793 under Lord Cornwallis's permanent settlement, being £200,000 sterling.

1905. Has the introduction of indigo given any facilities to the Government for the collection of their revenue?—Very great, according to all the accounts I have heard. I think it almost impossible that it should not have
Y done

334. Are the natives in the habit of using coal as fuel?—No ; very little indeed in Calcutta or the Upper Provinces. 22 Feb. 1831.

335. What fuel do they use?—In the Upper Provinces wood is too dear, and they generally use cowdung made into cakes ; in the Lower Provinces they use wood, brought from Saugur and the sunderbunds.

336. Are the jungles regularly cut for that purpose?—Yes ; there is a certain class that go every year, and bring up wood from the sunderbunds.

337. What is the price of wood at Calcutta?—It is now about 16 rupees for 100 maunds, or 32s. for 8,000 lbs.

338. Have the European inhabitants at Calcutta begun to use coals for culinary purposes?—They have, and we have begun to send it up the country as far as Meerut.

339. Should you be able to supply the upper parts of India by means of water-carriage?—We could, no doubt ; but it would be expensive. We have sent it up as high as Meerut, and the carriage was more than the original cost at Calcutta.

340. What is it sold for at the pit's mouth?—We have never sold it at the pit's mouth.

341. Is the iron ore you mentioned in the neighbourhood of the coal?—It is all round that district.

342. Have they begun to work it much?—The natives have always been in the habit of working it there, but we have not had any regular foundries for working it. There has lately been an establishment set up near Madras for that purpose by Mr. Heath, who has obtained the permission of the government to establish a foundry there, for the purpose of making iron, and for the purpose of making steel.

343. What is the quality of the native iron manufactured?—It is very inferior to English manufactured iron, arising from the inferiority of the manufacture.

344. Are you acquainted with any fact which shows the advantage arising from the settlement of Europeans in India, in so far as the settlement of the disputes of natives is concerned?—I have heard of one or two instances, where indigo planters, residing at a considerable distance from the chief station, have been found useful in settling disputes of a slight character between natives ; the distance from the station being so great, that they would have been put to a very heavy expense in going there.

345. What was the distance?—I think it must have been about forty miles. The planter was applied to by the natives to settle their little disputes, and he was in the habit of appropriating one or two hours in the course of a week for that purpose. He received the thanks of the gentleman who was then in charge of the district for doing this, as it prevented the necessity of the poor people having to go so far ; but this gentleman was removed, and another gentleman.

T. Bracken, Esq.

15 March 1891.

J. Crawford, Esq.

done so, considering that the indigo planter annually lays out on the spot, in rent and labour alone, a sum equivalent to the original rack-rent of Bengal and Bahar; which rack-rent was estimated about the year 1793, when the permanent settlement was made, at ten-elevenths of the rent of land, which rent of land was reckoned most commonly at about one-half the gross produce of the soil.

1906. What do you mean by rack-rent?—Every thing that could be got and taken; the rent taken in the shape of land-tax by the Government, which ruined three-fourths of the proprietors of the soil in the course of four or five years. The Committee will probably allow me to explain, that with respect to the land-tax of India generally, the system of husbandry which prevails there is the Metayer system, the cultivator taking one-half and giving one-half to the proprietor. For the most part, both the Mahomedan government, and the British government after it, have taken the proprietor's share. That, I conceive, is generally a pretty accurate statement of the nature of the land-revenue of India throughout. It is, however, prodigiously modified in the old provinces of Bengal, in consequence of the permanent settlement of Lord Cornwallis, where a real property in the soil has been created, and where lands sell at sixteen or seventeen years' purchase; but no such thing as this prevails in any other part of India, where the land-tax is almost universally variable.

1907. Are the indigo planters men of influence in their neighbourhood?—They possess that sort of influence which property gives everywhere. I know no other influence they possess.

1908. Can you state any inconveniences or obstacles to which the cultivation of indigo and of other commodities in India is subjected?—Yes, a great many; the prohibition to hold lands, of course; the power vested in the government of transmitting or deporting parties at pleasure; the state of the administration of justice, and the condition of the police, are a few.

1909. Have you had any opportunity of forming an opinion as to the effect of the colonization of India?—I have been of opinion, for the last twenty years of my life, that it is necessary to the good government of India, to the stability of the British power, and to the improvement of the country generally.

1910. Will you state what you mean by the term colonization, particularly as to the class of persons that you would wish to see there?—Any one that chooses to go there, provided the laws are sufficiently good, equal to all parties; that no difference or distinction be made between persons, black or white or brown.

1911. What class of persons do you think would avail themselves of the permission?—Generally speaking, I think persons of some property, and artisans.

1912. Do you apprehend that labourers would go out from this country to settle in India?—I think certainly not to any extent; but a labourer in this country

22 Feb. 1831.

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T. Bracken, Esq. gentleman came who disapproved of it: he said it was an interference with his own duties, and the consequence was that the planter left off, and the natives had to go to the station.

346. Did they go?—They did; but if it cost more to go than the thing in dispute between them, they did not go.

347. How much time did he, the planter, devote to it?—He used to devote two or three hours about twice a week to it. I understood some gentlemen in the civil service have strongly recommended that respectable indigo planters who live at a great distance from stations should be recognized by the government as acting in those places as arbitrators, and as magistrates under certain regulations.

348. Did you understand that great benefit was conferred upon the neighbourhood by his so acting?—I have no doubt that it was of great convenience to the individuals around.

349. Are you aware that there are numerous arbitrators among the natives themselves?—There are; but from the great number of persons that applied to that indigo planter, it appeared as if they were better satisfied with his interference than with that of natives.

350. Have you any acquaintance with the mineral wealth of India, beyond what you are personally concerned in?—Not personally. I understand in the north-western provinces of India copper has been found, and I believe also coals are found in Bundelcund.

351. Has the government begun to place confidence in the Europeans, and to employ them as agents in the management of minors' estates?—Yes; I know one or two instances where a gentleman has been appointed to the charge of a very large estate belonging to a minor: at the recommendation of the zillah court, the government appointed this gentleman to manage those estates; he is a medical gentleman at Bancoorah, in the Company's service; but it was necessary to have a special permission for this purpose.

352. Is it your opinion that the Indo-Britons would be usefully employed in the various departments of government in the higher ranks?—I have no doubt they might be. They have not been generally employed in the higher branches of service, but there are many most respectable gentlemen among them.

353. Do you consider them, upon the whole, as an intelligent class of people?—Upon the whole, I do; but as a body, they have not had many advantages. There are individuals among them, I believe, capable of filling any situation. They are at present prevented from holding the situations of what are called the Company's covenanted servants, and probably, from the want of encouragement, they are not so well qualified as others. In almost the whole of the offices in Calcutta the clerks are native born.

354. Do they hold all offices that a British subject can hold, except such British servants as are covenanted servants of the Company?—They do.

355 Have

country, if of any intelligence, would soon become something better than a labourer there. 15 March 1881.

1913. What obstacles would present themselves to men in the condition of labourers going out to India?—The market for ordinary labour being already stocked, in a good measure so, at least; the climate not admitting the performance of ordinary day, or at least of field-labour; and the expense of the voyage. J. Crawford, Esq.

1914. Has the condition of the Anglo-Indians in India come under your personal observation?—A good deal; I have been personally acquainted with some of the most respectable of them.

1915. Can you suggest any alteration in the mode of treatment with respect to them which would be advantageous to the country?—I am of opinion that they ought to be admitted to every privilege of British-born subjects; that every situation ought to be as open to them as to British-born subjects, or to natives of the country; in short, my opinion is that all classes ought to be put upon an equality, whether natives of the country, Anglo-Indians, or Europeans, being subjects of the crown.

1916. Do you mean that both natives and Europeans should be placed under the same system of law?—Yes, provided the law be good.

1917. And all admitted to the same privileges and employment?—Exactly so.

1918. Are the Anglo-Indians an intelligent and docile race of people, or otherwise?—Their intelligence is in proportion to the education they have received. I have known individuals among them equal to any European whatever. I beg to name two individuals, Mr. Kidd, the master ship-builder of the Company at Calcutta, and Colonel Skinner. There are many other individuals; but these two I can personally speak to, because I have known them well.

1919. Have you had an opportunity of ascertaining the opinions and wishes of the European and other inhabitants of Calcutta on the subject of free trade and colonization?—I think the best opportunities: they have petitioned Parliament for an extension of their privileges three times within the last three years and a half.

1920. Is there any native party in Calcutta hostile to the extension of the privilege?—Yes, there is.

1921. Is that a numerous party?—I cannot judge of their numbers; but I beg to say that it is the same party that is hostile to enlightened improvement of every kind; for example, it is that party that is at this moment sending home an agent to this country to petition Parliament for the repeal of Lord William Bentinck's regulation, or law, abolishing the suttee, or burning of widows. The same agent, I believe, has the charge of two petitions, one praying that Europeans shall not be allowed to colonize in India, and the other

355. Have they not the advantage besides of being able to possess land to any extent?—They have; and that has given them great advantage, whenever they have been in the situation of indigo planters, from being able to hold zemindaries. 22 Feb. 1831.
T. Bracken, Esq.

356. Are any of those gentlemen indigo planters in the commission of the peace?—Not that I am aware of.

357. Would it not be very desirable that many of them should be intrusted with that office?—I think it would. One of the best police magistrates in Calcutta was an indigo planter.

358. Are there not many among the Indo-Britons who are well qualified to hold situations in the commission of the peace?—Unquestionably.

359. Are there not many of them in respectable mercantile situations?—There are.

360. Have you resided any considerable time in the interior?—Not to reside long at any one spot; I have been in the habit of constantly moving about, within 80 or 100 miles of Calcutta, and I have visited the Upper Provinces.

361. Do you not conceive that the indigo planters have the means of ascertaining the feelings, and habits and manners of the people, more than other parties who are in more elevated situations in the country?—They are in closer contact, and they live upon greater terms of familiarity than gentlemen of official rank.

362. Would not that give them considerable facilities in settling disputes between the natives?—To a minor extent unquestionably it would; but they could not devote their time to any very important cases.

363. Are not the natives in general upon a more confidential footing, and more unreserved in their conduct with gentlemen not in the Company's service, than with those that are in it?—The majority are, unquestionably; because they approach them more upon a footing of equality.

364. Is it not true that the Indo-Britons are excluded from all offices of great responsibility and of great emolument?—Undoubtedly they are excluded from all offices of great responsibility and of great emolument.

365. Are they in the same situation in that respect with the native inhabitants, Hindoo and Mohammedan?—In the same. I believe there are no situations which the Hindoo might hold, which the Indo-Briton might not hold; unless, perhaps, law appointments in the courts.

366. When you left India, were not the Company borrowing funds at five per cent.?—They were.

367. Were they not at the same time remitting home bullion to this country?—I do not think they were remitting bullion immediately when I came away; they had been a few months previously remitting a very large sum.

15 March 1831. other that the Hindoos shall be allowed to burn their own widows in the usual way.

J. Crawford, Esq.

1922. Have you been able to form any comparison of the wealth, prosperity, and tranquillity of those parts of India where a great number of Europeans are settled with those where there are few?—I think I have never heard of any insurrections or disturbances in any part of the country where many Europeans have been settled. I apply that observation to India, and I apply it also to the island of Java, with which I was at one time very intimately acquainted from a residence of between five and six years there.

1923. Are the European settlers an orderly and well-regulated set of people generally?—I think, generally speaking, they are as much so as can be expected under a system of laws very imperfectly administered, and with comparatively very little protection to property.

1924. What do you consider to be the worst class of Europeans in India?—Necessarily and naturally the worst class are people that have got there clandestinely, such as deserters from ships, and others; convicts from New South Wales, &c. &c. I have known of a good many cases of the latter class.

1925. Is it your opinion that free adventurers to India would be a respectable class, supposing colonization were permitted?—I think a good class generally would go there; but their continuing respectable, or being otherwise, would depend upon the administration of justice and the state of society in the country to which they resorted.

1926. Are those native petitioners against free trade in India a wealthy set of people?—I cannot speak distinctly to that point, but I suppose there are many wealthy people amongst them.

1927. Do you suppose their objections arise from a feeling of jealousy to the employment of British capital interfering with their own capital?—I think, generally speaking, from all I understand, their objections apply to innovation of any sort.

1928. Not from any feeling of dislike to the English Government?—Not that I am aware of.

1929. Would you propose to allow colonization, without giving the Company or the Government of India any power to send colonists home?—Most certainly. I should propose to grant to the local government all legal power, but no other.

1930. What conditions would you lay down as such to justify the sending away any European from India?—I would not permit the government to send Europeans out of the country under any circumstance. It is an arbitrary power, that is destructive of all enterprise and security. No man can sit down quietly, as long as he has risks before him of being sent off even without a reason assigned. Such a power has the necessary effect of making Europeans

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368. Have they not sent home considerable quantities of indigo?—They have.

369. Were not the treasury bills which they issued applicable to all purposes as cash?—They were.

370. Were not those sums so borrowed for the purpose of being remitted to this country?—Part of them, I conclude, were.

371. Are you aware that they are about to pay off their bonds here bearing three per cent., with that money borrowed at five per cent.?—I see an advertisement that they have called in their bonds at three per cent., with an intention to reduce the interest to two and a half per cent.; but I can scarcely suppose that they are proceeding only upon that ground, otherwise it certainly appears strange to borrow at five to pay off that which bears interest at three.

372. Are you aware that there are large territorial charges which are paid here?—Yes, I am aware of that by the published papers.

373. It is presumed that you cannot tell what the money was appropriated to that was sent home?—No, I cannot tell. I only know it was sent home, and their bonds here were carrying an interest of three per cent.

PETER GORDON, Esq. called in, and examined.

P. Gordon, Esq.

374. You have commanded ships in the Indian sea?—I have.

375. When did you first go to India, and how long is it since you returned from thence?—I went in 1810, and I have been returned three months.

376. In what capacities and situations have you been employed in India?—As a country officer, commander, supercargo, shipowner, and as farmer of the Company's revenues at Ramnad.

377. Is that the southern point of India opposite to Ceylon?—Yes.

378. Were you also employed in the island of Saugur?—I was; three months.

379. Will you state what parts of India you visited?—Calcutta, Madras, Bombay, Bushire, Muscat, the Isle of France, Bourbon, the Cape, Batavia, the west coast of Sumatra, Pulopenang, Malacca, Singapore, Pulocondore, Bencoolen.

380. Have you ever been in Japan?—At Jeddo Bay and at Ochotsk; I have been also in Persia, and along the Coromandel and Malabar coast.

381. What parts of the interior of the British territory have you visited?—The Carnatic, and Southern Poligar countries.

382. Have you ever been at Canton?—I have never been there.

383. Have you been at Ceylon?—Frequently.

384. And at various of the foreign Indian settlements?—Various, as Pondicherry, Karical, Goa, Sadras, Tuticoreen.

385. What

Europeans in India the enemies of the existing government, under whatever name it may be exercised. 15 March 1831.

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1931. Do you apprehend that the number of colonists might increase, so as under any circumstances to become a source of danger to the permanency of the British government in India?—No; on the contrary, I think they would add greatly to the strength of the British Government of India: and I beg leave here to quote, for I have authority for doing so, the opinion of Mr. Henry Colebrook, once a member of the Supreme Government, and a man very eminent. I had an interview with him the day before yesterday, and he authorized me to state, that forty years ago he advocated the settlement of British-born subjects in India, considering it a safe measure, and that he adheres to that opinion now. Mr. Colebrook, I am sorry to say, is in such health as not to be able to attend this Committee.

1932. Do you attribute any of the existing defects of Government in India to the exclusion of colonists?—Yes; I think the law would be more cheaply and better administered, and the police of the country would be better, if there was an intelligent class of British proprietors and settlers in the provinces.

1933. If colonists had been admitted, do you conceive the present state of India would be different to what it is now?—I think it would be a better ordered country, and a wealthier country.

1934. Would it have been more easy to have carried into effect the different plans that have been attempted for the improvement of it?—All the good plans. It would have been more difficult to carry bad plans into effect; it would not be so easy to inflict very heavy taxation of course.

1935. Would the various plans that have been set on foot for improving the management of the revenue and the administration of justice, and other improvements, in your opinion, have been more effectually secured if the Government had had the assistance of a large body of colonists?—Yes. I will not say a large body, because I think such a body never would have gone there; but I have no doubt the administration of Government, justice and police, would have been more effectually carried on with the assistance of such a body of men.

1936. Would the improvement of the soil and of the manufactures also have been promoted?—No doubt.

1937. Is the Committee to understand that you conceive that unlimited access to India could co-exist with the present form and system of the administration of the Government in India; or do you contemplate, in that case, a material change in the form and system of the Government of India?—I think it might co-exist with the existing form of Government in India.

1938. Would it be necessary to alter the state of the law with regard to Europeans

385. What part of India are you best acquainted with?—The cities of Calcutta, Madras, Bombay, the kingdoms of Tanjore, Madura, Ramnad, Shevavunga. 22 Feb. 1831.
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386. Are you acquainted with the languages of India?—Slightly with Hindostanee, Tamul, and Malay.

387. Have you paid much attention to the commerce of India?—I have.

388. Has the opening of the free trade of India generally extended the commerce with that part of the world?—It has.

389. What parts of India have been chiefly influenced by it?—All parts, principally Calcutta.

390. What has been the effect of the free trade upon the commerce of Calcutta?—It has injured the re-export trade at Calcutta, but greatly increased the import and export trade.

391. Previously to the opening of the free trade, was not Calcutta a sort of emporium?—It was.

392. Was not it almost the sole port from which any large commercial enterprizes were carried on?—It was.

393. Notwithstanding the change that has taken place in the trade, has the whole trade of Calcutta increased or decreased?—Increased considerably.

394. Can you state to what extent?—I have not the report of the external commerce with me; but I have it at hand, up to 1830.

395. Have any of the branches of the commercial intercourse of Calcutta suffered from the opening of the free trade?—Yes; the country shipping interest of Calcutta has suffered.

396. Should you say that the shipping interest of India generally has suffered from it, or only that of Calcutta?—Merely that of Calcutta has been affected by it.

397. Has not the competition of the ships of Great Britain tended to injure the shipping interest previously existing at Calcutta?—It has.

398. Did not the circumstance of Calcutta being an emporium arise from the restricted nature of the trade which was carried on with that part of the world?—It did, entirely.

399. What was the price of freight from Calcutta to England in 1813 and 1814, and what is it at present?—In 1814 I came home in a ship chartered by the Company at £25 a ton; the ship in which I arrived at present is as low as 30s. a ton. I have known freights at 50 guineas a ton on the Company's ships, before the opening of the trade; it is as low as 15s. a ton at present.

400. Can you give the Committee the effect of the high and low freights upon the price of merchandize?—Every article feels it. The strongest example, perhaps, of import into England is the article of cotton-wool, which

15 March 1831. *J. Crawford, Esq.* Europeans in respect to the law-suits with the natives?—Yes; it would be necessary that the same laws should be administered to all parties.

1939. How is the case at present?—In the towns of Calcutta, Madras, and Bombay, there is an administration of English law, the Hindoos and Mahomedans respectively having their own law of inheritance. In the provinces there is a superstructure of the Company's regulations upon the Mahomedan and Hindoo law, the Hindoo and Mahomedan law of inheritance with respect to those parties being generally observed. The criminal law is the Mahomedan law modified by the Company's regulations.

1940. Are the Europeans subject to this law in the provinces?—They are not; their case is provided for by Acts of Parliament.

1941. You resided at Singapore some time?—I did.

1942. Were Europeans allowed freely to establish themselves there?—When I was charged with the administration of Singapore it did not form by law an integral portion of the British territory in India; it was held as a sort of political dependency. The consequence of that was, that any body might come that pleased; and they did come in any numbers, and I never asked any questions about them. I do not recollect that amongst all the settlers that were at Singapore there were more than two persons that had licenses from the East-India Company.

1943. Did any difficulties arise to the Government in consequence of that free access?—I think not. It may be safely said that the Government owed a great deal to the British settlers at Singapore: if it had not been for the assistance given by them it would indeed have been impossible to carry on the administration of the place. There were twelve or fourteen thousand inhabitants of all sorts, Chinese, Arabs, Malays, Hindoos, and Mahomedans.

1944. By what laws were they governed?—In my time there was no law at all. I asked for authority from the Supreme Government, and found it could not be given. I was obliged to act for the best, and to the best of my judgment, as if I were vested with legal powers, but I never possessed any.

1945. What year did you go out to India?—In 1803.

1946. In the medical service?—Yes.

1947. How long were you employed in the medical service exclusively?—I think about eight years.

1948. Did you reside at that time in the interior of India?—Five years in the northern provinces of India, and three years in Prince of Wales Island.

1949. Were you then limited to the exercise of your own profession?—Exclusively, and to the study of the Eastern languages, which I paid attention to from a very early period.

1950. With

22 Feb. 1831. — could not possibly be brought from India at the high rate of £20, or £30, or £50 a ton, and therefore the supply of England with cotton-wool was left entirely to the Atlantic trade.
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401. What is the difference of price?—It was formerly about 1s. 3d., and it is now 5d.

402. What was the price of pepper, and what is it now?—One shilling to 15d., and it is now as low as 3d.

403. Do you conceive that the owners of ships have suffered in proportion to the great fall of freight?—They have not in Calcutta; for when they found their ships a losing concern, from their expensive blocks and high capital, they sold off their ships to English shipowners; and the same ships which were sailing out of the port of Calcutta, are now sailing out of the port of London.

404. How are the Company's ports at present supplied with arms and ammunition?—By application to the arsenals of the Company.

405. Can private individuals export arms and ammunition?—They cannot.

406. Has that any effect in throwing the trade in arms and ammunition into the hands of foreigners?—It has; they are supplied chiefly by the Americans, on the west coast of Sumatra, Cochin China, and Siam.

407. Are those required for export to the Eastern Archipelago?—The Americans trade on the west coast of Sumatra, and at Siam and Cochin China, and they procure cargoes which will not be sold for money to English ships, because arms are so much desired.

408. Then none but the Company are allowed to import into the British Indian ports cargoes of ammunition?—None.

409. But the Americans carry on a trade to Sumatra and Siam in those articles?—They do.

410. What interests in India were most benefited by the opening of the free trade?—Europeans procure European articles at a much cheaper rate than they did formerly; and the natives obtain better prices for their produce than they did formerly.

411. Has the opening of the free trade given rise to the introduction of any new articles of European produce into the consumption of India?—It has; spelter especially, and cotton goods also. At the opening of the trade, Calcutta exported to London two millions sterling in cotton piece goods, and at present it receives from England two millions sterling of British manufactured cotton.

412. Do you conceive that the consumption of British piece goods is increasing or decreasing?—Increasing very rapidly in every village of India, and cotton-yarn is increasing very rapidly indeed; it has not been introduced above five or six years.

413. Are

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1950. With the exception of those five years in your early life, did you ever reside in India?—I resided afterwards about a twelvemonth in Calcutta. 15 March 1831.
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Jovis, 17^o die Martii 1831.

Mr. JOSHUA SAUNDERS called in, and examined.

1951. You have been in India?—I have.

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1952. How long have you resided in India?—More than five years.

Mr. J. Saunders.

1953. At what period?—From July 1824 till February 1830.

1954. When did you return to England?—In July last.

1955. You were employed in the silk trade?—I was employed in that trade.

1956. Had you any instructions in the silk trade before you proceeded to India?—I had.

1957. What was your object in going to India?—Merely to purchase raw silk for the London market.

1958. Are you acquainted with the districts where the Company's silk is raised?—I am.

1959. Can you state what number of filatures they have?—Eleven or twelve, I believe.

1960. In what district?—In several districts.

1961. Will you enumerate them?—Radnagore, Hurripaul, Santipore, Cossimbuzar, Bauleah, Comercolly, Sardah, Jungypore, Mauldhah, Rangpore, Sunnamukhi, and Gonatea.

1962. In what part of India are those districts?—Between the latitudes of 22 and 26, and the longitude of 86 to 90.

1963. Is that in the provinces of Bengal and Orissa?—It is.

1964. Is any silk produced in the Upper Provinces?—Not that I am aware of.

1965. Have you visited several of the districts you have mentioned?—I have.

1966. Did you, in the course of your travels, make any observation upon the culture of the mulberry?—I have, in passing through the silk districts. The mode adopted is by cultivating the mulberry from small strips instead of the large tree; it is cultivated in beds.

1967. Is it the same species of mulberry that is cultivated in Italy?—No; I believe it is altogether a distinct species.

1968. Are

413. Are there any new commodities that have been exported from India since the opening of the free trade?—Many drugs and dyes, especially lac dye and paddy, which is uncleaned rice; lac, in every stage, especially the coarser kinds, as stick lac.

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414. Can you state the amount of the export of lac dye in any year?—It has been to a considerable amount.

415. Was there any exported previously to the opening of the trade?—Very little, if any.

416. Is there any other thing in which a new trade has sprung up?—None others occur at present. There is the export of Banca tin; that has been imported into England direct from the eastward, and also by the way of Calcutta.

417. Has the commerce of Madras sustained a similar increase with that of Bengal since the opening of the free trade?—It has not.

418. Is the foreign trade of Madras, and other parts of the Coromandel coast, considerable?—It is not considerable; it is a mere coasting trade, principally supplying Coromandel rice to Madras for the consumption of that city.

419. Is there any good harbour at Madras?—There is no good harbour along the Coromandel coast.

420. Have the native inhabitants, living under the Madras presidency, begun to consume cotton goods, and other British manufactures, extensively?—They have, according to their means, which are extremely limited.

421. Do you conceive that the inhabitants under the Madras presidency are in less easy circumstances than the natives of Bengal?—The farmers of Madras are much worse off than the cooleys or the porters of Calcutta, with regard to both food and clothing.

422. Can you state the day wages of a cooley at Calcutta?—The wages paid for them are about five or six for a rupee. Europeans pay about 4*d.* a day for a cooley; but they are under a system of constant advances to the sircars, and therefore the cooley himself receives mere subsistence.

423. What is the price of day labour at Ramnad, where you resided?—For a double fanam, which is not equal to 4*d.*, three stout men or five women to work from sunrise to sunset.

424. Do they work hard for that?—Very hard indeed, much more than the Bengal cooleys.

425. Can you state what proportion their labour would bear to that of Europeans?—Equal to that of Europeans.

426. Do they receive any food besides?—No, they have no other allowance whatever; it is never the custom to give food in India.

427. How are those people fed and clothed?—Before daylight the poorest class

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1968. Are there not two species of worms?—There are, viz. the deose, or country worm, and the annual.

1969. Is the latter the same as the Italian?—I believe it was brought either from Italy or China.

1970. Do you conceive the produce of the Italian worm to be better than that of the country worm?—Yes, in quality.

1971. Do you know how long that has been introduced into India?—Not exactly; I think some years.

1972. Is there not a wild silk?—There is; it grows on the north-east frontier.

1973. What use do they make of it?—It is wound and made into cloth for domestic use.

1974. Has it been exported?—It has been sent to this country in a manufactured state, a few pieces for curiosity; also samples in the raw state have been sent to this country, but it has not yet been considered worth the attention of the merchant. I have a sample of the pods with me.

1975. Is it very inferior to the cultivated species?—Very much so.

1976. Is the cultivation of the mulberry and the production of the cocoons confined to the natives?—Totally, or with a very few exceptions.

1977. Are they generally raised by the same parties, the mulberry and the cocoons?—Sometimes they are, but generally by distinct parties.

1978. Are you aware whether the Company make advances to the parties supplying the cocoons?—I have always understood that they do make advances.

1979. How are the prices settled at which the cocoons are delivered?—Generally subsequent to the delivery of the silk or cocoons.

1980. Do the parties who supply them know at the time they supply them what price they are to receive for them?—Generally they do not.

1981. For what market is the Company's investment generally purchased?—For the European market.

1982. Where are the cocoons purchased by the Company reeled?—Generally at their own filatures.

1983. By whom is that operation performed?—By natives.

1984. Besides the principal filatures, are there any out-factories?—In some districts there are out-factories, and I understand that they are from ten to twenty miles distant from the main factory.

1985. Are not the silk districts divided into circles?—They have been since 1827.

1986. Do the Company give the same price for the cocoons in each circle, whatever the quality may be?—I believe they do.

1987. Where

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class make a soup of the leaves of wild trees, at noon the same, and at supper they make their only substantial meal of canary seed, or Indian corn or grain, much coarser than that; and perhaps, once a week they indulge in a meal of rice.

428. What clothing do they wear?—The men wear a strip of cotton cloth between their legs, and the women, round their loins, a small piece of dirty torn cloth, often a piece of gunny bag.

429. Does not the narrow sea, lying off the coast of Madura, between that and Ceylon, abound with fish?—It does.

430. Is that fish used by the natives?—It is, whenever they can get it.

431. Is there any duty paid to government upon that fish?—There is by law; it is a transit duty on its passing the custom-house at Ramnad, but actually it is levied whenever fish is taken, before it is landed, at every village along the coast. By law, it is five per cent. on the valuation; but I have known frequently instances where one-half of the fish was taken away from the people on the pretence of the custom duty.

432. By whom was that taken?—By the farmers of the inland customs and their servants, and by their unpaid servants.

433. Those farmers being natives?—Yes.

434. Are the peasantry of Madras in worse circumstances than those of Ceylon?—Much worse.

435. Is not Ceylon under the King's government?—It is.

436. Are famines or scarcities common in the Madras country?—Scarcities are very frequent, and famines are common also.

437. From what cause arising?—From drought.

438. Is there frequently a failure of rain in that part of India?—Frequently.

439. What is the nature of the commercial intercourse carried on by sea, between the Bengal and the Madras presidencies?—Naturally, it is an export of grain from Calcutta to Madras, and an import of salt from the Coromandel coast into Calcutta.

440. Are you aware of any circumstances which impede this natural trade?—The monopoly of salt in Bengal.

441. How does it operate in that way?—By depriving the merchant of the natural channel of returns.

442. Can salt be produced in large quantities on the Coromandel coast?—It is naturally produced in immense quantities, by solar evaporation.

443. Is that salt of good quality?—It is good strong coarse salt.

444. How is the salt produced in the Bengal provinces?—By collecting the surface earth, and very often ploughing the banks of the river to increase the

1987. Where do you reckon the best silk to be produced?—Gonatea, at present, is one of the best districts. 17 March 1831.

1988. Which do you consider the most inferior?—Bauleah. Mr. J. Saunders.

1989. Do you know whether the same price is given for the silk produced in the best and in the inferior districts?—Only one price is given within each circle; and I believe Bauleah, Sardah, and Jungypore, are in the same circle.

1990. What do you conceive to be the quality of the silk produced in Sardah and Jungypore, as compared with that at Bauleah?—I should think that Bauleah is inferior to the Sardah and Jungypore, at least two rupees a seer.

1991. Is the Italian machinery used in the Company's filatures?—It is on the Italian principle.

1992. Is the machinery complex or simple?—Very simple indeed.

1993. Where is it made?—That which is used by the Company is made at their silk factories.

1994. Have the natives adopted the Italian mode of reeling?—They have adopted for filature silk the same reeling as that which is used at the Company's factories.

1995. Do they not continue the old mode of reeling?—For the manufacture of piece-goods they reel the silk differently, into putney silk, which is quite different from filature silk.

1996. Is the native mode of reeling by the hand?—It is.

1997. Is any of the silk that is produced by the natives purchased by the Company?—Yes, frequently in some districts.

1998. Are you aware whether any British-born subjects are at the present moment engaged in growing the mulberry, in rearing worms, or in reeling silk?—I know a Mr. Watson, and two or three persons, who have made experiments; but, at the present time, the only person I know is Mr. Watson, who is engaged in the produce of silk.

1999. Has Mr. Watson considerable filatures?—He had considerable filatures in the midst of the Bauleah, Sardah, and Comercolly districts.

2000. Do you know the reason why he has discontinued them?—From the encroachments of the Company in building factories close by his, and by that means preventing his carrying on his factories profitably.

2001. In what way did they encroach upon him?—Having established a factory, the Company built others near to his, by which they took the whole of the cocoons, and the produce of the district around him.

2002. Did the Company's agents use their authority in order to produce that result?—That I am not aware of.

2003. Was Mr. Watson in the habit of making advances to the producers of the cocoons?—I cannot answer that question decidedly.

the deposit, and filtering the water through it, and boiling the brine into salt. 22 Feb. 1831.

445. What is the difference of cost between producing the salt at Madras and at Bengal?—At Madras the Company purchase it of manufacturers, as low as three farthings a bushel, and at Calcutta they purchase it at a shilling a bushel. *P. Gordon, Esq.*

446. What should you say was the difference of quality between the salt of Madras and the salt of Bengal?—The Madras salt is preferable; but the natives pay a higher price for the Bengal salt, as it is more bitter, and a small quantity goes a great way.

447. Is the production of salt in the Madras territory a monopoly in the hands of the Company?—It is.

448. How are they able to preserve that monopoly?—By a branch of police under the management of the salt agent. The police of the country is divided into three branches, one branch of which is under the management of the salt agent, and it is called the salt police.

449. Does not salt naturally form upon the rocks and shores of the Coromandel coast?—It does, in large quantities, and very quickly; and for the purpose of preserving the monopoly the natives are forced to destroy it. It is one of the services of the salt police to enforce that.

450. Is it possible when salt forms in such masses to preserve the monopoly entirely?—Without a very rigid police it would be impossible; but under existing circumstances, I suppose it is very little indeed infringed by the natives unemployed, and the infringement is chiefly by fraud in the salt officers.

451. Must not the expense of the preservation of that monopoly be very considerable?—It is very considerable, and the Company state that they derive no profit whatever from the price at which it is sold to the ships supplied to Bengal and the eastward.

452. What do you conceive is the object of the preservation of that monopoly?—In aid of the salt system of Bengal; principally to prevent the introduction of salt into Bengal.

453. Is the quantity of shipping employed in the general commercial intercourse between the presidencies of Bengal and Madras increasing or decreasing?—Decreasing.

454. Does that arise from the salt monopoly?—It does.

455. Supposing the monopoly of salt were no longer to continue, would there not be carried on an extensive intercourse between Madras and the Bengal provinces?—Very extensive, indeed; no ship would return empty to Calcutta.

456. How does the salt monopoly operate to decrease the trade?—The salt trade would be much larger; every ship which returned to Bengal would

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Mr. J. Saunders.

2004. What is the amount of Mr. Watson's production at the present moment?—At the present moment it is only a few bales.

2005. Does he reside in the place?—Yes, he resides in the neighbourhood of Ferridpore.

2006. Do you consider that Mr. Watson's silk was equal to that produced by the Company?—I consider it equal to the average quality of the Company's investments.

2007. Are you aware whether Mr. Watson introduced any process by steam for winding the silk?—I believe he was one of the first to introduce the process of winding by steam, which is now introduced at the Company's factories at Comercolly and Sardah.

2008. Is the attention of the natives engaged in the production of the silk directed more to the quantity or to the quality of the article they produce?—More to the quantity.

2009. Can you state the cause of the inferiority of the private or native silk to that of the Company?—Merely from quantity being their object, in consequence of the great demand for silk by the private trade. A certain portion of material, if wound into superior silk, will not produce the same quantity as if wound into inferior.

2010. Does not the silk vary considerably in quality according to the season in which it is produced?—It does; the best silk is manufactured in the dry and cold seasons.

2011. Upon what is it that the quality of the silk chiefly depends?—The quality of the silk chiefly depends upon the reeling of it.

2012. Do you consider Radnagore to be as congenial in soil and climate to the production of silk as the other districts, or not?—I think it is less so than the more northern districts.

2013. Were not the native growers and producers of silk, who had received advances from the Company previous to 1827, prohibited from selling their produce to other parties?—Yes; men under advance from the Company were prohibited from selling either silk or cocoons but to the Company's factory from which they had received the advance.

2014. Was that the case where the advance was very small?—I believe it was the general rule.

2015. Do you happen to know practically how the advance was made; were any means taken by the person making the advance in some measure to force it?—Cases have been known where natives have refused to take an advance. I know one case where a native refused to take an advance from the Company, and money was thrown into his house, and he was forced in consequence to consider himself as under advance to the Company. This was represented to me by a native.

2016. At what time was that?—That was in 1825 or 1826.

2017. Will

22 Feb. 1831. would touch upon the Coromandel coast, and fill up with salt. One cause of the trade decreasing is the salt monopoly, and the other is the increased cultivation of the Carnatic, which has taken place since it has been in a peaceable state.
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457. Were not the Bengal regulations at one time more liberal than they are now with respect to the import of salt?—They have varied considerably. At present it is limited to a certain quantity; and last year a great number of ships on their return from the Isle of France, and other parts, who had calculated on filling up with salt, called, and were refused salt, and they arrived at Calcutta in ballast, to their very great detriment.

458. What would be the natural import from the Bengal provinces into Madras?—They would carry rice into Madras.

459. Is not the Madras presidency, upon the whole, in the habit of importing a portion of its food?—It is.

460. Is not that part of India subject to great droughts?—Very much so.

461. Of course, at periods of drought they require larger importations of grain?—Much larger. Their subsistence, in fact, depends upon Bengal, and in 1824 there was great mortality in consequence of the droughts.

462. In a season of drought, would there not be peculiar facility in producing salt?—Much greater than common.

463. If the trade in salt were free, would not it tend to increase the export trade from Bengal?—It would; they could afford to sell it much cheaper.

464. Are you aware whether the natives have any dislike to salt that has crossed the sea?—I am not aware that they have. They prefer Callanimuc, which is the black salt of the Ganges; but I understand that it is in consequence of its bitter quality, and not from any religious prejudice in favour of salt made from water of the Ganges.

465. Would it not answer to export salt from this country?—It would. It is continued at the present time to a very limited extent, paying three rupees a maund duty (6s. per 82 lbs.), which was intended as a prohibitory duty; but the English salt is so very pure, that even at that price it enters the market.

466. Is not Muscat rock salt imported into Calcutta?—By a treaty with the Imaum of Muscat, every ship from Muscat to Calcutta has the privilege of importing 500 maunds of rock salt, and 1,000 maunds into Bombay.

467. Supposing the salt monopoly to be abolished, do you conceive there would be any export of salt from England to India?—A very great proportion of the supply of Bengal would be from Liverpool and Bristol.

468. Can you state what is the highest price that you have paid for rice at Ramnad?—The highest is 120 pagodas a garce, which is equal to 9,000 lbs. or 10,000 lbs.; and the lowest is 30 or 40 pagodas, or from one penny to one

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2017. Will you give the name of the party?—I do not know whether I can give the name of the native, but I assert it as a fact which was represented to me by a native of the district of Radnagore. 17 March 1831.
—
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2018. Was he a respectable man?—He was as respectable as the generality of the men who receive advances from the Company.

2019. Is it the practice of the Company's residents always to keep the silk growers under advance?—I believe it is.

2020. Was not this practice annulled by an order from England in 1829?—It took effect in 1829; a local order placing the merchants on a footing with the Company.

2021. Has this order had the desired effect in completely establishing an equality?—Not altogether.

2022. Can you state in what way that effect is prevented?—Since the order of 1829, I requested a native merchant, who was in the habit of supplying me with silk from the Bauleah district, and whose relations reside in the Comercolly district, to try and procure me silk from the Comercolly district, and he told me in reply, that it was quite impossible for him to attempt it, being too much in awe of the Company to allow of his undertaking to supply me, a small factory of his having been once burnt, which he had established in the Comercolly district; and he gave me to understand that it was burnt from the interference of the Company, by the Company's peons.

2023. Was there not an European sent to the Radnagore district by Messrs. Palmer, for the purpose of collecting silk, in 1823 and 1824?—Yes; a gentleman was sent down by Messrs. Palmer and Co. to collect silk in that district, and he established a small factory for the purpose of making experiments in reeling a small quantity of silk. This factory was forcibly entered by peons belonging to the Company, who cut the silk from the reels and threatened to destroy it by fire, when the gentlemen in charge of the factory rescued it by forcing the peons out with sticks and staves.

2024. Was any representation made to the Government upon that occasion?—It was represented in the strongest possible terms to the Company by Palmer & Co., and I believe that no answer was given, and no notice taken of the application whatever.

2025. Do you know any other individuals, who have attempted to establish filatures in the silk districts, who were compelled to abandon the undertaking?—Yes, Mr. Gonger, and two other gentlemen, whose names I have forgotten.

2026. What are the districts that are peculiarly subject to the Company's monopoly?—Comercolly is one, Jungypore, Mauldhah, Sardah, and several others.

2027. Do you conceive that in the districts so subjected to the Company's monopoly

one farthing the pound. I have not bought it at the price I have last mentioned, but it was offered at that in the year 1823, and refused; the variation took place in about twenty months. 22 Feb. 1831.
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469. What do you consider the principal impediments to the growth of the trade of India?—The insecurity of persons and property.

470. Do you conceive that the prohibition on the part of Europeans to hold land considerably affects that trade?—It does.

471. Are there not restraints imposed upon the intercourse between one presidency and another?—Duties are levied, as between foreign states.

472. Is there any duty paid upon the fishing boats?—There is, on the coast of Madura.

473. Is a fishing boat trading from one port to another subject to any duties?—It is.

474. Of what nature are those duties?—Anchorage and clearance; they are under the necessity of taking out a clearance in passing from one village to another, even for a cargo of firewood.

475. What are the nature of the duties which are paid upon its passing from one part of the Company's territory to another?—Transit duties.

476. Are there any paid upon the entrance into a town?—Yes, at the city of Madras; and there is a provincial duty different from the transit duty, in the whole territory at Malabar and Canara; and market duties are also paid throughout the territory, independently of the town duties, which are levied only at the city of Madras.

477. Are there several custom-houses that goods have to pass in going from one part of the country to another?—Many; they are in every village; they are called choukies

478. Is there not considerable delay arising from that circumstance?—There is a very great delay. No kind of merchandize is allowed to pass any of these establishments without paying a fee, even where duty is not chargeable.

479. Is that a fee regulated by law?—It is not, it is expressly prohibited by law.

480. Are not the bales of goods subject to be opened at each of those places?—They are.

481. How are the bales commonly packed for export?—For land carriage, loosely packed in general; for export, they are screwed and lashed.

482. Does it not happen, that when goods are brought from the interior for export to the coast, they are packed at the place whence they are made up?—Never, I believe.

483. Are the rates of pilotage and mooring charges heavy in Indian ports?—At Calcutta they are very heavy; upon the Coromandel coast, there being

17 March 1831. monopoly the private trader would be enabled to purchase silk?—Not at present, certainly.

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2028. In what districts is it that this monopoly has been to a great degree broken through?—Chiefly in Bauleah, Hurripaul, Radnagore, and Cossimbuzar.

2029. When you first went out to Cossimbuzar did you find the monopoly a close one?—It was almost a close one, there was only a little silk to be procured in that district; but since I arrived in India it has become considerably more open than it was to the private trader, very much by my own means.

2030. How are the Company's residents paid upon their purchases of silk?—I believe by a commission on the quantity supplied.

2031. By whom is the price of the silk fixed that is purchased by the Company?—The districts are divided into circles, and the resident at the head of each circle, previous to the bund or season when the silk is produced, sends a circular round to the other residents in his circle, and they agree upon a price, which is afterwards confirmed or not by the Board of Trade.

2032. How long is it after this agreement as to the price that the producer is informed of it?—As soon as possible, but generally the delay is considerable.

2033. Do you not conceive that the fixing the price after the production has been given in, considerably interferes with the free trade that would otherwise be carried on?—Certainly it does.

2034. Can an individual who is engaged in purchasing silk for the free trade know with any degree of certainty what the result of his speculation would be?—I have always, in purchasing silk from the district of Cossimbuzar, been obliged to make my purchases altogether dependent upon the price paid by the Company, and therefore have been completely ignorant as to what the price would be until after the Company had fixed their price.

2035. Are the Company's residents allowed to purchase silk on their own account, or to act as agents for others?—Yes; after they have supplied the quantity required by the Company.

2036. Have you ever so employed them?—I have.

2037. What commission do they charge?—I cannot speak positively to the amount of the commission paid by the Company, but I believe it is two and a half per cent. In the case of private individuals it is an agreement between the parties.

2038. Was there a rise in the price of silk from the year 1814 to the year 1827?—Yes; a gradual rise, and a very considerable one.

2039. Did

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no river, there is no pilotage, and the anchorage is moderate when applied to large ships, but it becomes very expensive when applied to small ones.

484. Is there any difficulty in passing the sea customs?—Not in comparison with land customs.

485. Is there not an unnecessary delay in both the one and the other?—In obtaining clearances for ships, I have been six weeks in obtaining clearances for vessels: the vessel has been at Calcutta, nearly unloaded, before the port clearance was given for Madura.

486. Suppose a merchant at Moorshedabad in Bengal wishes to export a quantity of raw silk to Madras, what duties does he pay?—Seven and a half per cent. transit duty, and in a foreign bottom to Madras, I think $7\frac{1}{2}$ per cent. more; and on importation to Madras, 8 per cent. If in an English vessel, I am not certain that there would be an export duty from Calcutta, but there would in a foreign vessel, therefore it would be $15\frac{1}{2}$ or 23 per cent.

487. Supposing a part of the same silk to be exported from Madras to Negapatam in the same presidency, would it be charged with any duty?—Bylaw it would not be charged with any duty, but in fact it would be.

488. Why would it?—It is the constant practice to do so.

489. Do you know what the amount of that duty is?—Eight per cent. upon its export.

490. By whom is that charged?—By the native servants in the custom-house.

491. Are you aware whether that practice is generally known by the collector, or not?—In the southern provinces, at Tanjore and Madura, it is known to exist, and has been represented, but not remedied.

492. How is it at Madras?—I cannot say at Madras.

493. Do you know that a duty would be paid at Madras upon the export?—Most likely it would be paid in the southern provinces, not at Madras, but on its import into Tanjore and Madura.

494. Are you not aware whether that export duty would be paid at Madras, or not?—I am not.

495. But the import duty would be paid?—Such charges have been made to me several times.

496. Are those charges illegal?—They are.

497. Supposing British iron to be exported from Madras to any other part of the Madras presidency, would it pay a duty on its import into the other port?—At Madura it was charged with duty actually 16 per cent. upon its value, though covered by a free pass from Madras.

498. Did you pay that duty?—I did not; I resisted it, and the collector did not enforce the claim; but afterwards he continued to enforce the claim on the natives, and continued it till the time of my quitting.

499. Did

2039. Did the produce from India increase consequently upon that rise? 17 March 1831.
—Not in proportion to the rise of price.

2040. Supposing the trade had been free, do you conceive that increase would have kept pace in some measure with the rise of price?—I think it certainly would. *Mr. J. Saunders.*

2041. Has there been a rise in the rent of land and the wages of labour consequent upon the increased price of the silk?—Mulberry land has risen in rent; but land, generally speaking, has risen little or nothing.

2042. Do you conceive that the Zemindars are interested in maintaining the monopoly?—Certainly, so far as that by upholding the Company's system they are enabled to let their land at a higher rate, in consequence of the increased prices given by the Company for silk.

2043. Do you conceive that the actual producer is benefited to the full extent of the enhanced price for silk; for instance, the native who supplies the cocoons?—No; I do not think he makes more profit by rearing his cocoons than he did when the silk was at a much lower price than it is now; I mean, not in proportion to the price that silk bears at the present time.

2044. Does that arise from the mode in which the price of silk is fixed?—It is dependent altogether upon the system by which silk is reared. I conceive that, upon a different system, silk would be produced at a much lower price, and that the rearer of the cocoon would be as well paid.

2045. Were not orders issued in the year 1827 to reduce the price that the Company paid for silk?—Yes, orders were received by the Board of Trade in Calcutta, for that purpose.

2046. Has that reduction taken place accordingly?—Not to the full extent, but some reduction has taken place.

2047. Was that the period when the silk districts were divided into circles?—It was.

2048. Can you state the reason why that division into circles took place?—In consequence of the competition between the residents at the different factories to obtain the greater quantity of silk.

2049. Have you any document which would illustrate this subject?—I have a copy of a circular which was issued by the Board of Trade in Calcutta, in 1827, to all the residents in the silk districts; and in consequence of this circular the division into circles took place.

2050. From whom did you obtain this?—I beg leave to decline to answer that question.

[The same was delivered in, and read as follows:]

(Circular,

499. Did the natives pay it, although you resisted it?—They did.

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500. Supposing the same iron should be sent to Malabar or Canara, would it pay any further duty?—It would, according to the tariff of Canara or Malabar.

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501. Are both those places under the Madras presidency?—They are. It would not pay by law; but the tariff by law is allowed to be higher than in the other provinces, for the Act of Parliament passes iron free to India.

502. Would it be revalued by the local tariff?—It would; and by local regulations it does pay a higher duty, although the Act of Parliament passes it free throughout India.

503. What Act of Parliament do you refer to?—I am not certain whether it is the 53d of Geo. III.: it is either by an Act of Parliament, or by an arrangement between his Majesty's Government and the Company.

504. Does the sea and inland system of customs differ at Malabar and Canara from that which prevails in the other parts of the presidency of Madras?—It does.

505. Can you state the reason of that?—I cannot.

506. How long has Canara been in the possession of the Company?—Upwards of thirty years; it was taken from Tippoo Saib, in 1792 or 1799.

507. What number of inland custom stations exist in the district of Madura?—Twenty-one.

508. Is that the whole of the custom-house stations?—It is the whole of the legalized stations; but every one of these, of its own authority against law, has at least five inferior mettoo stations established in it, where they collect duties the same as at the legal stations.

509. Are those stations farmed?—They are; always to natives. By law they cannot be farmed to Europeans.

510. Are the custom-house officers generally servants of the individual who farms the customs?—Always; he employs his relatives and dependents, and any person he pleases under him.

511. Can you state the manner in which the duties are levied from the inhabitants of the country by the revenue farmers?—In every manner they please.

512. Are there not often very great acts of oppression?—The grossest possible, seizing on the natives and punishing them at pleasure.

513. Are the revenue farmers generally wealthy and substantial?—Never. They are always men of straw put forward occasionally by a substantial person, but no person of respectability will come forward as a revenue farmer in his own name.

514. How are the customs generally let to those farmers?—By a bidding at the collector's office, nominally by auction, but any tender is received.

17 March 1881.

Mr. J. Saunders.

(Circular, No. 186.)

To _____ Esq. Resident at _____.

SIR :

It is with great regret that we have witnessed during some years past the increased and increasing price paid for raw silk provided at your factory. Our injunctions have been constant and uniform, that these prices should be reduced, risen as they have done progressively to a height which the occasional unproductiveness of bunds, and the actual state of the market, do not warrant; and this has occurred at a time too when the selling rates of the article at home have gone on to decrease, until a very great and ruinous depression has been experienced, as appears from the letter dated 9th August 1826, from the Honourable Court of Directors. The profit and loss account on the March sale of 1826 shows a loss on that sale to the large amount of £30,252, thereby reducing the out-turn of the invoice to 1s. 8d., 7d. per sicca rupee.

2d. It is now high time that the residents should make a general, united, and vigorous stand against the evil which has occurred, so as to bring back the price of raw silk to the level at which it stood in the years 1815-16, or to the annual average rate of about 10 r. 8 a. per seer, comprehending the cocoon cost of the silk, and the charges of winding it. The Honourable Court, in their commercial general letter dated 19th March 1822, give the following statement of the invoice cost and charges per bale of Bengal filature silk for the previous seven years, viz.

| | <i>S. Rupees.</i> | | <i>s.</i> | <i>a.</i> | <i>p.</i> |
|------------|--------------------|--|-----------|-----------|-----------|
| 1815 | 838 per bale | | 10 | 7 | 7 |
| 1816 | 840 — | | 11 | 12 | 0 |
| 1817 | 941 — | | 11 | 12 | 0 |
| 1818 | 983 — | | 12 | 4 | 7 |
| 1819 | 1,046 — | | 13 | 1 | 2 |
| 1820 | 1,100 — | | 13 | 12 | 0 |
| 1821 | 1,178 — | | 14 | 11 | 6 |

Being per seer of silk, in 1815, at the rate of 10 r. 7 a. 7 p.; and in 1821, 14 r. 11 a. 7 p. per seer; an increase having taken place between the two periods of 4 r. 4 a. per seer.

3. We have caused a similar statement, in continuation, to be drawn up, of the average costs and charges per bale of filature silk consigned to England, from the year 1822 to 1826, both inclusive, by which the following result is exhibited :

| | <i>S. Rupees.</i> | | <i>s.</i> | <i>a.</i> | <i>p.</i> |
|------------|----------------------|--|-----------|-----------|-----------|
| 1822 | 1,165 per bale | | 14 | 8 | 0 |
| 1823 | 1,162 — | | 14 | 8 | 0 |
| 1824 | 1,164 — | | 14 | 8 | 0 |
| 1825 | 1,207 — | | 15 | 1 | 4 |
| 1826 | 1,153½ — | | 14 | 6 | 6 |

4th. The Honourable Court, in their letter of the 17th May 1826, paragraph 22d, intimated their confident expectation that a considerable, and they trust a permanent, diminution in the cost of the silk will ensue, as a consequence of the extended cultivation of the mulberry; and as conducive to such reduction in the cost of the article, they observe in the next paragraph, " We trust that the absolute extinction of competition among the residents, by each confining purchases strictly within his own boundary, has by this time been fully effected." We should be glad to have been able to afford complete confirmation to the Honourable Court of the above-mentioned

22 Feb. 1831.

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515. What security do they give?—A security of two names, and an examination takes place; but when a defalcation takes place, which is generally the case with almost every renter, I have known the property of the renter and his securities produce less than 1*s.* each.

516. Do the natives often complain to the collectors of the exactions of the revenue farmers?—They never complain.

517. Does the system you have alluded to relate to inland customs entirely?—It does; the sea customs are never farmed.

518. Are they superintended by Europeans?—Occasionally.

519. Can you state what number of native officers there are attached to the different stations in Madura?—The single station of Ramnad has upwards of fifty persons collecting.

520. Do you know the number of the custom-house officers of the zillah of Madura?—One thousand.

521. What is the population of Madura?—Under the collector of Madura there are near 1,000,000 souls.

522. Do you know the area of Madura?—I do not: it has 120 miles of sea coast.

523. Are there sea customs established in Madura?—There are four sea customs choukies.

524. Are those sea customs choukies under the management of natives or Europeans?—Natives entirely.

525. How many European officers for the management of the revenue are there in Madura?—One collector of Madura, occasionally a sub-collector of Ramnad, and an assistant to the Collector of Madura; sometimes also, a young man as second assistant: but it is very seldom that they are all resident in the district, and at the time I was there, I believe not one could speak a sentence of the language the greater part of the time.

526. Are the abuses as frequent in the sea customs as they are in the land customs?—They are not, not being farmed.

527. You were understood to say, that you had more than once paid customs illegally exacted, and that by native servants?—I have.

528. Did you make any representation to the government of that exaction?—I did frequently to the Madras government, also to the collector of Madura.

529. At what period was the latest?—Several representations are contained in this pamphlet which I have in my hand. The latest representation which I remember to have made was dated the 16th March 1828, to the principal collector of Madura.

530. Did you ever make any representation to Government about the customs?—Many to the Board of Revenue prior to 1828.

531. What

tioned just expectation, but that a late representation of encroachment on his aurungs, made by one of the residents against his neighbour, and which has not been satisfactorily refuted, forbids us from doing so. That every resident should strictly confine himself within his own limits, and scrupulously abstain from trespassing on the resources of his neighbour, is so primary and palpable an obligation of duty, and its infringement evinces so much disregard to the interests of the Honourable Company, that we are determined to bring any future instance of disobedience in this respect, but which we hope may not occur, to the special notice of Government.

17 March 1831.

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5th. The next and most important duty of a commercial resident is to confine the rates paid for cocoons and silk to what will afford a reasonable profit, and no more, to the ryots, who rear the cocoons, and to the peons who vend them: that such rates have been greatly exceeded of late years we have abundant reason to believe; and that a speedy stop should be put to this practice, the discontinuance of competition in this market, in consequence of a ruinous market in Europe, manifestly invites to.

6th. From the statement contained in paragraph 3 of this letter, it appears that the average cost of silk exported to England in 1825 amounted to the very high rate of 1,207 sicca rupees per bale, exceeding by 29 rupees per bale the highest cost of any preceding year; and though the exportation of 1826 exhibits some reduction in price from that of the preceding year, yet much remains to be accomplished in this respect: 1,153½ sicca rupees, the average cost of the silk per bale in 1826, making its cost amount to the high rate of 14 r. 6 a. 8 p. per seer.

7th. As we have observed before, the average annual cost per seer of silk of your investment must be reduced to what it was in the years 1815-16. The rise that has taken place up to the present time since the year 1816, is a forced and unnatural rise; and although it may be urged that the state of the market, both in Europe and in India, during a part of the intervening period may have warranted the grant of some increase in the price of silk, yet the present state of things in both countries is such, and the article is in so little demand, that the time is fully arrived for bringing back the price of silk again to its fair and proper level.

8th. It will therefore be your duty to explain these matters fully to the peons and rearers of cocoons employed under your factory, so as to prepare their minds to submit without murmuring to the prices you may deem it necessary under these orders to determine on granting them for the silk and cocoons produced during the several bunds of the year, impressing it at the same time upon them as a matter of absolute necessity, that they will seek in vain to elude the operation of the system now about to be established, by carrying their cocoons away from their own factory, in order to deliver them at a neighbouring factory, for the sake of obtaining increased prices, because they will, by so doing, inevitably meet with disappointment, it being our firm determination not to allow any resident to give a higher price for silk or cocoons than his neighbouring resident within the same circle of locality; and should any resident, contrary to his duty and all just expectation, be found to countenance and encourage such a proceeding, his conduct will be noted with merited animadversion.

9th. The maintenance of an uniformity of price is a part of the detail which we now proceed to lay down, and to which we require your implicit and most undeviating attention, because on the exact observance of it depends the success we have every reason to expect as the result of our present orders and endeavours for reducing the price of silk to its legitimate and natural level; namely, that no one resident shall be supposed to give a higher price for silk than the neighbouring residents within the same circle.

10th. The

531. What answer did you receive?—Different answers, which are contained in this pamphlet. 22 Feb. 1831

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532. What was the general substance of the answers?—In one case there was an offer of remission of the amount which had been exacted; but it was so inadequate to the injury I sustained, that I declined receiving it.

533. Have any measures been taken to remedy the evil?—None. I know, to the contrary, that every thing goes on on the old system.

534. What is the book to which you have just referred?—It was printed in Calcutta; it is intitled "Official Correspondence," detailing the disputes which have taken place between myself and the Madras government.

535. You stated that the transit of iron throughout India was allowed to be free by some Act of Parliament, or by some arrangement between his Majesty's Government and the Company; on what authority do you make that statement?—On the public regulations issued at Calcutta, Madras, and Bombay, about the time of the opening of the free trade, admitting the British staples duty free, metals, woollens, and naval stores.

536. Is that regulation not carried into effect?—It is not.

537. Have you ever had occasion to make any representation as to the non-execution of those regulations?—Frequent representations to the Madras government, to the Board of Revenue, also to the Governor in Council at Madras, and to the collector at Madras.

538. What is the nature of the answers you have received?—Not satisfactory.

539. Did they admit your construction of the regulation?—There can be no dispute, it is so plain. I shall be happy to lay the whole correspondence before the Committee.

540. When you spoke of the insecurity of persons and property, to what did you particularly allude?—Every person can be transmitted at the pleasure of each government, and his property of course is ruined by his transmission.

541. You spoke of the exportation of Banca tin; is any tin exported from the territories which have been purchased from the Dutch a few years ago; from Malacca?—Sallengore produces tin, but I cannot speak positively on that subject with regard to Malacca.

542. You stated, that sixteen years ago the price of pepper was 1*s.* to 1*s.* 3*d.* a pound, and now it is 3*d.*; are you aware of the duty now paid upon East-India pepper?—I am not, but I considered those prices to be the prices of pepper in bond in both cases.

543. Are you not aware that the duty now paid is the same as it was then?—I am not.

544. Are you not of opinion, that although the cotton manufactures of this country are greatly cheaper than those of India, yet that the India manufacture

17 March 1831.

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10th. The circles may be thus described, proceeding from North to South:—

| 1st. | 2d. | 3d. |
|------------|--------------|-------------|
| Malda. | Bahah. | Comercolly. |
| Rungpore. | Surdah. | Santipore. |
| Bauleah. | Jungypore. | Hurripaul. |
| Surdah. | Cossimbuzar. | Radnapore. |
| Jungypore. | Soonamooky. | |

11th. Shortly before a bund shall come to maturity, and when the circumstances of its produce, good, bad or indifferent, as well as the state of the market, shall have been ascertained, the resident placed at the head of the circle shall communicate by a circular to the other residents within it the state of things in his aurungs, and mention the price he proposes to pay per maund of cocoons, or per seer of silk; the other residents each to indorse his opinion on the circular, and in case of objection, stating his reasons for thinking the prices ought to be more or less; the majority being of the same opinion, to determine the result, to be communicated to us without delay, who will pronounce their final judgment of approbation or otherwise.

12th. We inclose a statement showing, as far as the reports of the residents entered on our records will admit, the prices settled for silk of the several bunds during the years 1815 and 1816, before adverted to, at the factories enumerated. We desire that these rates may be steadily kept in view, as those to which it is our earnest desire to bring them back in future.

13th. The operation of these orders will commence to have effect with the settlement for the March bund 1827.

We are your most obedient servants,
Fort William, 27th April 1827.

(Signed) G. UDNEY,
CHAS. MACKENZIE.

Believed to be a true copy,

JOSHUA SAUNDERS, JUN.

22 Feb. 1831. manufacture is greatly superior; that it wears better and lasts longer?—The manufactures of India are of every degree of durability. Of course, the most durable are exported to England; flimsy manufactures will not bear the expense of transit, but in India, cloths of every texture are made for the use of the natives.

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545. Whilst the natives of India are in the state in which you have described them on the Coromandel coast, is it of much importance to them whether there is a free trade or not to England?—Their condition cannot be worse than it is at present.

546. Would they remain in the same miserable condition, provided the restraints which at present exist with respect to trade and settlement in India were removed?—They would, if the same revenue system is enforced.

547. What is the state of health and bodily strength of those inhabitants on the Coromandel coast?—It depends a great deal on their caste. The Mussulmen are as stout a race of people as we ourselves are; the lower class of Hindoos are small people and very weakly indeed, and very short-lived: it is rare to see a woman above thirty years of age.

548. Have you had many opportunities of becoming acquainted with the interior of India?—In the district of Madura I have been living entirely among the natives, never seeing an European for months together; and also I have been much in Tanjore.

549. Is not the situation of the natives at the different presidencies greatly superior to that which you have described in the interior?—In the cities it is very superior; and they would flock in crowds to the cities to work as coolies, but they are prevented by the police: they are seized, and sent back to till the lands on which they were born.

550. Is the territory of Madura fertile?—It is, when watered; its fertility depends entirely upon watering.

551. What are the chief products of that territory?—Grain, cotton, tobacco. By grain I mean rice and coarser grains, in large quantities.

552. Is sugar grown there?—It is not: I am not aware that it could be grown in the district of Madura.

553. Is artificial irrigation carried to a considerable extent there?—The whole cultivation is more or less by means of artificial irrigation; either by embanking the field to save the water which falls upon it, by leading the water from rivers, or by saving it in tanks.

554. Are there extensive tanks in Madura?—There are.

555. Are they of recent or of ancient construction?—Of ancient construction.

556. Are they under the management of government?—Entirely.

557. What

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STATEMENT showing the Prices settled for each Bund during the Years 1815 and 1816, at the following Residences.

BUND S, 1815.

| | January. | March. | April. | June. | July. | September. | October. | November. |
|---------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> |
| Bauleah | — | — | — | — | — | — | — | — |
| Comercolly .. | — | 5/ 7 12½ | 6/ 3/ 3 | 6/ 11/ 6 | 6/ 11/ 6 | — | 7/ 3/ 10 | 7/ 6/ 1 |
| Cossimbuzar . | — | 7/ 7/ 7.34 | 6/ 15 | — | 7/ 12/ 4.75 | — | — | 9 1 5.37 |
| Hurripaul ... | — | 7/ 2/ 8 | — | — | 6/ 12 | — | 9/ | — |
| Jungypore .. | 6/ 10/ 9½ | 6/ 5/ 11½ | — | 6/ 6/ 11½ | — | — | — | 7/ 12/ 6½ |
| Maldah | — | 5/ 4/ 8 | 6/ 0/ 1½ | 6/ 10/ 11 | 7/ 0/ 11 | — | 8/ 9/ 6 | 8/ 1/ 7 |
| Soonamooky . | — | — | — | — | 6/ 5/ 9.76 | — | 9/ 5/ 1 | 9/ 1/ 5.37 |

BUND S, 1816.

| | January. | March. | April. | June. | July. | September. | October. | November. |
|---------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> | <i>per Seer.</i> |
| Bauleah | — | 7/ 15 | 7/ 12 | 7/ 12 | 7/ 12 | 7/ 14 | 8/ | 8/ 6 |
| Comercolly .. | — | 7/ 6 | 6/ 5/ 7½ | 7/ 1/ 9½ | 7/ 1/ 9½ | — | 8/ 5/ 2½ | 8/ 3/ 6½ |
| Cossimbuzar . | — | 9/ 9/ 0.41 | 9/ 1/ 5.37 | — | 9/ 3/ 4.34 | — | — | 10/ 8/ 4.96 |
| Hurripaul ... | — | 9/ 11/ 2 | — | — | — | — | 8/ 8 | — |
| Jungypore .. | 8/ 13/ 2 | 8/ 1/ 11½ | — | 7/ 13/ 10½ | — | — | — | 8/ 13/ 6 |
| Maldah | — | 7/ 11/ 5½ | 7/ 9/ 1 | 7/ 11/ 8½ | — | — | — | 8/ 14/ 4½ |
| Soonamooky . | — | — | — | — | — | — | — | — |

N.B.—No Silk provided from Bauleah in the year 1815.

Prices settled at Cossimbuzar are for 76 S^a W^t to the Seer, but the price is calculated upon 72. 11. 7. per Seer, as at all the other Residences.

Fort William,
27th April 1827.

(Signed)

W. NESBIT,
Secretary.

557. What sort of repair are they in?—The worst possible; merely to serve the purpose of a year. 22 Feb. 1831.

558. Supposing that branch of rural economy were more attended to, would not the fertility of Madura be greatly increased?—Greatly. *P. Gordon, Esq.*

559. Are the works for irrigation in the province of Madura equal to those of other countries of Asia which you have seen?—Not in their present state.

560. How are they with reference to those of Persia?—Inferior.

561. Have you visited the province of Tanjore?—Frequently.

562. Is that fertile?—It is the most fertile district of India, next to Burdwan.

563. Does that arise from its irrigations?—The soil is of good quality, but the fertility depends entirely upon the supply of water.

564. What is the amount of the difference between the value of land that is irrigated, and land that is not irrigated?—The whole value of land depends upon the supply of water, the lands are of no value whatever unless watered; every land which can command water is of some value. I have known the most valuable gardens in Persia cut down, merely because the water-springs failed.

565. Do you conceive that in all parts of India irrigation might be carried, by a proper expenditure of capital and skill, to a much greater extent than it is now carried?—To a much greater extent.

566. For what species of products is irrigation required?—Particularly for rice; and even what are called dry grains require a degree of irrigation.

567. Are there not considerable streams that fall from the ghauts?—There are.

568. Are they properly economized?—They are not.

569. Is there, or is there not, a large field for the application of capital in economizing the water that falls from the higher lands?—An immense field.

570. Have you any knowledge of the system of irrigation in any other country except India?—I have seen it practised in different countries of Europe; Spain, France, Holland, and Flanders.

571. Have you any practical knowledge of the subject?—I have never been employed with land, except on Saugur Island, where our whole existence depends upon embankments.

572. Do you think there are many improvements in irrigation which you have seen practised in other countries, which might advantageously be introduced into India?—Many.

573. What is the amount of the land-tax taken by the government in the district of Ramnad?—It is considered as one-fourth of the gross produce of dry cultivation, and one-half of the gross produce of lands which command water,

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2051. Have you any other document which would illustrate this point?— I have an extract from Mr. Bell's review of the external commerce of Bengal, from 1824-5 to 1829-30, published by Mr. Bell, an officer in the custom-house, and I believe it to be authentic.

2052. Is it printed?—It was printed in Calcutta. Mr. Bell is an officer in the custom-house, and his work is dedicated to Mr. Siddons, the collector, and published by his authority.

2053. Could any work of that kind be published at Calcutta without the sanction of the Government?—It is sanctioned by Mr. Siddons, the collector.

[*The Witness delivered in the same, which was read as follows :*]

“ It is sufficiently known that the trade in Bengal silk, both in its raw and manufactured state, has been almost entirely engrossed by the Company, or at least that portion which falls to the lot of private individuals has been so much enhanced by the powerful facilities of the former, that as an object of commercial gain it is impossible to stand the test of competition.

“ It is difficult to foresee the result which is likely to crown this system of unprofitable traffic, pursued with so much avidity by the agents of the Company, who being remunerated in proportion to the quantity of raw material provided, have at once the power of crushing all private enterprize, and by setting up a strong competition among themselves have raised the prime cost to double of what it ought and might be.

“ The consideration of personal gain has plainly, in this instance, introduced the most fatal consequences, and will ultimately lead to the total annihilation of so valuable a branch of Indian commerce.

“ Before therefore it is too late, would it not be judicious on the part of the Company, who are merely maintaining this exclusive traffic to enrich their servants, who are surely handsomely paid by fixed allowances, without having recourse to this system to swell out their commissions, and fill the pockets of a horde of avaricious gomastahs and dependants—would it not be judicious, I say, to prefer farming out their filatures to private enterprize, when the Company might purchase the produce in the Calcutta bazaar at one half of what it now costs them, and would then constitute a solid medium of remittances to Europe, whilst it now forms but a hazardous speculation ?”

2054. Do you conceive that the Company's resident agents are generally good judges of silk?—Certainly not. There may be some of them that understand it, but generally they are ignorant, I believe, of silk altogether.

2055. Do you know any instances in which residents have been appointed to that department having been taken from others?—Yes, the late postmaster-general was transferred only a short time ago to a silk residency.

2056. Do you know any instances of salt agents taken from the one department and put to the other?—Yes, I know an instance where either a salt or a saltpetre agent was transferred to the silk department.

2057. Upon whom practically does the business of collecting and managing the silk generally devolve?—Upon the head native of the establishment.

2058. Is the head native a competent judge of the quality of the silk?— I cannot answer for the whole of the head natives ; they are more or less so.

2059. Do

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water, but in garden cultivation, such as fruit trees, it is fixed by an agreement; that is the legal demand.

574. What is the practical exaction?—To leave as little as possible for the subsistence of the people; they have no appeal: the collection is left in the management of native servants, who always leave as little as possible. The collection is made by small instalments during the whole course of the harvest. It is extorted by every torture possible, especially by means of the kittee, which is a couple of sticks between which the fingers are placed. This is a torture inflicted by every peon at his own discretion.

575. To what period do your observations apply?—Up to 1828.

576. Is it then the fact, that a much larger sum is extorted from the unfortunate ryot than that which he would have to pay by law?—There is no administration of the law; there is an agreement made, to which he must submit, with regard to the cultivation, and he has not only to pay his own rent, but in case any of his neighbours are defaulters, there is an assessment upon those who can pay, continued even for two or three years.

577. Is the assessment permanent or periodical?—The assessment of the kingdom of Ramnad is called a permanent zemindary assessment; that is, the Company have made an agreement with the zemindar of Ramnad for a fixed sum annually, which is not to be exceeded; but they have set aside the zemindar of Ramnad, and put their own officer in to collect the revenues, and no agreement is made with the natives, who are the actual farmers of the land; the assessment on them is not permanent; it is considered that the zemindar may make his own assessment with them at his pleasure, but the actual zemindar is the Company's officer.

578. Do you know the reason why it was taken from the zemindar?—By a forged will. The king of Ramnad was imprisoned at Trichinopoly for his cruelty to his subjects; but in the Southern Poligar war, in 1801 or 1802, it was supposed he was about to make his escape to join his subjects then in arms; he was accordingly sent to Madras, and imprisoned, and he died in prison. Mr. Lushington had appointed the king's sister as successor. He had one daughter, and on the death of the sister it was pretended that the sister adopted one of her slaves, and suits were commenced in the different courts of the Company between this adopted slave and the daughter of the king. It was appealed to the King of England in Council, where it has been upwards of ten years, and now remains as unlikely to be decided, I understand, as on the first day; and in the meantime the princess is a beggar in the country, sometimes without any allowance from the Company, living with a neighbouring zemindar. The slave who was adopted died; and it was pretended, that at his death he left a will, adopting a nephew, a son of his sister; and I have understood from the government officers, that this will was witnessed by the collector of Madura, who for many months had not been in the district, and consequently could not be at the death the time the will was dated.

579. When

2059. Do you conceive that the raw silk of Bengal has deteriorated or improved in quality lately?—Deteriorated in quality. 17 March 1831.

2060. Has the quantity exported increased since 1824?—It has. *Mr. J. Saunders.*

2061. To what cause do you attribute that?—To the opening of the trade.

2062. Have not the duties in England been diminished also?—They have.

2063. What are the principal faults of the Indian silk?—Its foulness, unevenness, and want of staple.

2064. What do you conceive would be necessary to improve the staple of the Indian silk?—Greater attention in cultivating the mulberry, in rearing the worm, and in reeling and manufacture of the article.

2065. Can you state the reason why Europeans do not engage largely in the manufacture of silk in Bengal, as they do in that of indigo?—The Company engross at present, the whole of the silk districts, and for that reason they have not entered into the trade.

2066. Do you conceive that the competition which goes on between the Company's residents, and the private traders is a fair or an unfair one?—Unfair, so far as that they are not placed upon the same footing.

2067. Do you mean that they have not the same capital?—They have not the same power.

2068. Do you conceive, that if Europeans were to engage largely in the production of silk, its quality would be improved?—Certainly it would.

2069. Do you conceive that Europeans would be induced to enter upon such a speculation without greater security for property and persons than exists at the present moment in India?—I think they would not: the want of greater security has been one of the reasons of their not having heretofore entered into the silk business.

2070. Are you of opinion that the Indian silk, under the management of Europeans, might or might not be rendered as good as the Italian silk?—As good as the average quality of the Italian, and in some cases equal to good Italian.

2071. Do you know any instances of silk of a good quality having been imported into this country from India?—Bales have been sold of East-India silk in London, realizing nearly the same value at the same period as that which the best Italian fetched.

2072. Do you know the relative prices at which the Company's silk and the private traders' silk have been sold at the East-India House?—Relatively speaking, considering the quality, they have sold equally well.

2073. Which is the best quality?—The Company's is generally the best quality, and in consequence sells at a higher price.

2074. Can you state why the Company's silk is of the best quality?—From greater attention being paid at the Company's factories than at private factories, the natives' object being to produce quantity not quality.

579. When did this happen?—It was about the year 1818 that the government first sent a native collector to Ramnad, the time when the management of the zemindary was assumed, and the native servant was placed in the management of it by the Company. 22 Feb. 1831.
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580. Do you state these facts of your own knowledge?—I have had correspondence with Shivagamynatchiar, the princess. She did not state these things to me, nor have I seen her, but I know her to be in that state from my own knowledge; but the facts I have stated are what I know to be true, from what I have seen and heard: it is a thing of public notoriety, and spoken of daily.

581. Is that a solitary instance of oppression?—No, all the neighbouring kingdoms present similar instances.

582. Have you heard of any such proceedings having occurred at Travancore?—When I was at Allapee, in 1812, I either saw the gallows of the minister, or heard that it had stood there a few days or weeks before, but I think the gallows was then standing, and the remains of the fort in which he attempted to defend himself against the English.

583. Do you know whether the amount of the revenue of Madura is greater now than it was a few years ago, before these transactions took place?—Under the native government it must have been better cultivated and more productive than at present, judging by the remains of the public works, the churches, the palace and the waterworks.

584. Do you know the amount paid by the zemindar to government for Ramnad?—I think the amount of the permanent settlement is 119,000 star pagodas annually.

585. Do you conceive that a larger sum than that is extracted from the ryots?—Much larger; at the time of the settlement it was considered to be two-fifths or three-fifths of the gross collection of the zemindar.

586. Do you know whether the land is valuable in that province for sale?—It is not saleable.

587. Do you know the value of the landlord's rent under the permanent settlement of Bengal, that is, what land would sell for subject to the taxes?—From ten to twenty-five years' purchase, by the public auctions; but in Madura it is not saleable at all; there land is a service, not a property.

588. Do you understand land to be a saleable article in any part of the Madras presidency?—Scarcely.

589. Supposing a farmer of the land revenue to fall into arrear, how can the government recover the amount?—By seizing his personal property, his implements of husbandry, his cattle, and his slaves, which are disposed of at public auction.

590. Do you know how the settlement is made with the ryots in Madura; is it an annual settlement by the collector?—At Ramnad, the revenue police, who are native servants, go round the villages, and fix as they can,

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2075. Supposing the private trader to be allowed to produce silk in Bengal as he now produces indigo, do you not conceive that he would produce as good silk as the Company do?—Equally good.

2076. Supposing the Company were to cease to trade in silk, do you conceive that capitalists in Bengal would purchase their filatures?—Yes, I do; and that the silk trade would be taken up by indigo planters.

2077. Could the production of indigo and the production of silk be carried on by the same parties?—Certainly, without any difficulty whatever. Indigo is grown on the low lands, and the land adapted for the production of silk is the high land; contiguous to almost every indigo factory there are certain portions of land fitted for the mulberry, and the two might very profitably be conducted together.

2078. Can you produce any document showing the produce and cost of a small silk farm?—Yes; I have here an estimate upon a farm of thirty-two begahs of land. It was an experiment tried by an indigo planter, whose factory was situated in the midst of the mulberry plantations of Comercolly, Bauleah, Sardah, and Cossimbuzar, and this shows that good silk can be produced, allowing twenty per cent. for failure of bunds and casualties, at the rate of six rupees seven anas per seer, which is less than half the average price of the Company's investment in 1826, and one-third less than it was in 1815. The samples of the produce of this experiment are now on their way to England.

2079. Will you put in that paper?—

[The witness delivered in the same, which was read as follows:]

ESTIMATE of PRODUCE and COST of a Silk Farm of 32 Begahs of Land

Buildings on first Establishment.

Rearing Houses: say,

4 Houses, 34 feet long by 20 feet broad, and 22 feet high, R. a. p.
including roof as well as walls, completed a' 60/ each 240 0 0

Fittings of Houses:

16 Gurhs or breeding Mucharis, a' 1/ each..... 16 0 0

100 Chunderkhus for shelves of ditto, a' 5/ each 31 4 0

Ghurahs or Spinning Frames 12 8 0

Baskets 2/, Gunnus for sheets 2/, Soorais for

Mucharis 4/ 8 0 0

Roolahs and Rulsas 1 4 0

69 0 0

Winding House:

24 feet long, 15 broad, and 7½ high within the walls, with foundation, chimnies and boiling places, 1,352 solid feet..... 120 12 3

Roofing of tiles with 6 inch terrace, 477 feet, a' 25/ per 100, including timber 119 8 5

Flooring, 477 square feet, a' 8/7/10 per 100 40 7 11

280 12 7

Total Sicca Rupees 589 12 7

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or as they please, with the village, the amount to be paid for the year's cultivation.

591. Do they go round at any particular period of the year?—They go at the time of the settlement, previously to the commencement of the cultivation, about June.

592. Does the head man of the village undertake for the whole, or does he settle with each individual ryot?—I cannot say particularly, but I think with each individual ryot. There is a list of each man's land, and the amount he has to pay drawn out; it is an annual arrangement with the ryots.

593. Does the land revenue attach to the produce of fruit trees?—It does. The people are separately assessed, and the trees in each village are numbered occasionally by persons who are sent round to take an account of every tree in every village, and each tree is assessed at a certain rate.

594. What are the staple products of exportation from the Madras territory?—Cloth, salt, chanks.

595. Where are those articles exported to?—Cloth to most countries; to America, England, South America, the Gulf, and the Red Sea; the salt to Bengal only.

596. Is salt exported from Madras to the Eastern Archipelago?—It is occasionally, when permitted by the Company.

597. Does it require an express permission to export it?—The Company holds all the salt in its own hands, and sells it for exportation to the eastward; it is a monopoly on the part of the Company, and no person may deal wholesale in salt.

598. Is there not a mineral alkali which is produced at Madras?—There is an abundance of it in the province of Madura; it is called Caramutti: it naturally forms on the surface of the earth.

599. Has it been sent to Europe?—It has, but it was unprofitable; it was of too weak a quality, not sufficiently refined.

600. Supposing the duty to be less in the ports of Britain, could it then be imported here with advantage?—I am uncertain.

601. What use do the natives make of it?—In washing, and the manufacture of soap.

602. Has it been exported to Ceylon?—It is continually exported to Ceylon, for the manufacture of soap and for the purposes of washing.

603. Is any of that soap exported from Ceylon to England?—It was exported in large quantities, till a protecting duty was laid on in England.

604. Is there a manufactory of soap at the Danish settlement at Tranquebar?—There is, and there is a considerable export of that soap to all parts of India.

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| | 1st Year. | 2d Year. | 3d Year. | 4th Year. | 5th Year. | TOTAL. |
|---|-----------|----------|----------|-----------|-----------|--------|
| Cultivation : | | | | | | |
| Land Rent, 1/4 per Begah..... | 40 | 40 | 40 | 40 | 40 | 200 |
| Ploughing, a' 2/ per ditto..... | 64 | — | — | — | — | 64 |
| Roodaling, a' 1/ ditto..... | 32 | — | — | — | — | 32 |
| Transplanting, a' 1/ ditto..... | 32 | — | — | — | — | 32 |
| Weeding and earthing, a' 1/8 for the first, and 2/ per Begah for every succeeding year..... | 48 | 64 | 64 | 64 | 64 | 304 |
| Slips for plants, a' 1/4 per Begah..... | 40 | — | — | — | — | 40 |
| | 256 | 104 | 104 | 104 | 104 | 672 |
| Rearing Worms : | | | | | | |
| Eggs, but lightened by preservation of cocoons in an established concern.... } | 70 | 70 | 70 | 70 | 70 | 350 |
| Bussree Roolers, 2/ per house; 8 for twelve months, a' 4/ per month..... } | 384 | 384 | 384 | 384 | 384 | 1,920 |
| Roolers attending ditto, 2/ per house; 8 for six months, a' 3/ ditto..... } | 144 | 144 | 144 | 144 | 144 | 720 |
| | 598 | 598 | 598 | 598 | 598 | 2,990 |
| Winding: | | | | | | |
| 4 Kuttaners or rulers for four months, a 5/ per month..... } | 80 | 80 | 80 | 80 | 80 | 400 |
| 4 Pagdors for four months, a' 3/ per month | 48 | 48 | 48 | 48 | 48 | 240 |
| Levolers supplying wood, water, &c.; 4 for four months, at 3/ ditto..... } | 48 | 48 | 48 | 48 | 48 | 240 |
| Wood : | | | | | | |
| 500 maunds, a' 14/ per 100 maunds.. 70 | | | | | | |
| Tabaldars cutting wood, 3/ per 100 } maunds..... } | 85 | 85 | 85 | 85 | 85 | 425 |
| | 261 | 261 | 261 | 261 | 261 | 1,305 |

Total, Sicca Rupees 4,967

605. Are indigo and cotton exported from the Madras provinces?—Cotton is, and indigo in small quantities. 22 Feb. 1831.

606. By whom is the indigo manufactured?—Principally by the French in Pondicherry. *P. Gordon, Esq.*

607. Is it indigo of good quality?—Very inferior to that of Bengal.

608. Can you state the difference between the process of the manufacture of indigo at Madras and in the Bengal provinces?—In Bengal it must be manufactured from the leaf within a few hours after it is gathered, but at Madras the leaf is allowed to ferment a month or six weeks.

609. Is there any indigo manufactured by natives at Madras?—A considerable quantity of what is called the mud indigo, which is the stalks and leaves mixed up altogether, for the use of their own manufactures.

610. Is the best indigo produced from the leaves alone?—The whole is produced from the leaves: but by the European process that kind of refuse is separated from the water, but what is made by the natives is mixed up with the leaves without being separated.

611. How is the Company's investment of cotton procured at Madras?—By means of Commercial Residents.

612. What is the district it is chiefly drawn from?—Principally from Tinnevely, which is to the westward of the Madura district.

613. Are you acquainted with the circumstances of that province?—I have been in Tinnevely.

614. Are the revenues paid in kind at all, or is the cotton purchased by Commercial Residents?—I am uncertain.

615. Do you know the annual amount of the Company's investment of cotton?—In 1823, when I was in Tinnevely, the investment was 8,000 bales.

616. What is the amount of the bale?—I imagine 250 pounds weight, half a candy.

617. Where was this sent to?—It was sent to Madras, and from Madras in the Company's ships to China.

618. What is the original price of the cotton?—I do not know.

619. Supposing the State to take one half the gross produce of the soil, in the case of indigo and sugar, do you consider that the manufacture of indigo and sugar could be beneficially carried on under such a system?—It could not; it requires too much capital to be subject to such a system.

620. Has the commercial resident at Tinnevely any thing else to do than to furnish the investment of cotton?—In 1823 he had nothing else to do except to furnish 8,000 bales of cotton.

621. What is the amount of the salaries and commission of the establishment?—I think about half a lack of rupees a year, £5,000.

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PRODUCE.

| BUNDS. | Ghurahs. | COCOONS. | | | | SILK. | | | | | | |
|-----------|----------|-------------|----------|------------|-------|--|--------------|-------------|-------------|--------------|--------------|--------|
| | | By Cocoons. | | By Weight. | | Rate per Maund of Cocoons. | NET PRODUCE. | | | | | |
| | | | | | | | 1st Year. | 2d Year. | 3d Year. | 4th Year. | 5th Year. | TOTAL. |
| | | Rate. | Quantity | Rate. | Amt. | | | | | | | |
| | | | | | m. s. | m. s. | m. s. | m. s. | m. s. | m. s. | m. s. | m. s. |
| Ughun. | 16 | 67½ | 1,080 | 1½ | 24 | 2 ½ | 1 20 | 1 20 | 1 20 | 1 20 | 1 20 | 7 30 |
| Cheyt . | 16 | 62½ | 1,000 | 1¼ | 20 | 2 ½ | 1 5 | 1 5 | 1 5 | 1 5 | 1 5 | 5 25 |
| Fisth . . | 16 | 33¾ | 540 | ¾ | 12 | 2 | 0 24 | 11 24 | 0 24 | 0 24 | 0 24 | 3 0 |
| Shaboon | 16 | 33¾ | 540 | ¾ | 12 | 2 | 0 24 | 11 24 | 0 24 | 0 24 | 0 24 | 3 0 |
| Bhadur | 16 | 22½ | 360 | ½ | 8 | 2 | 0 16 | 0 16 | 0 16 | 0 16 | 0 16 | 2 0 |
| Kartick | 16 | 27½ | 440 | ½ | 8 | 2 | 0 16 | 0 16 | 0 16 | 0 16 | 0 16 | 2 0 |
| | 96 | — | 3,960 | — | 84 | — | 4 25 | 4 25 | 4 25 | 4 25 | 4 25 | 23 5 |

Which is equal to 5 r. 6 a. per seer ; to which must be added, for failure of bunds and other casualties, 20 per cent., which increases the cost per seer to *Sicca rupees* 6/7.—Shoots of each bund, and slips on change of land, not included in this return, and which will be in reduction of this calculation.

2080. Have you any comparative statement of the exports of silk made by private merchants and the East-India Company for twelve years, from 1817 to 1828?—This is a statement I made up in India from the best information I could obtain, which shows an increase in the private trade within the last six years, from 1823 to 1828, over the preceding six years, of 35½ per cent., while in the same period the increase in the Company's has only been 17½ per cent.

2081. Will you deliver in that statement?—

[The witness delivered in the same, which was read as follows :]

Private

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622. Does that include all the charges of the merchandize?—Not the invoice charges; it is exclusive of carriage and freight and packing.

623. Are the Company's commercial agents under the Madras presidency allowed to carry on trade on their own private account?—They are.

624. Do they act as agents for private merchants?—They do.

625. What agency do they charge to private individuals?—Mr. Heath, at Salem, charged fifteen per cent. on account of the advantages of the Company's establishment which he enjoys.

626. What advantages do you consider he possessed?—He is as a magistrate over the manufacturers.

627. Did he dictate the price to the persons selling it?—Entirely.

628. Was there any other charge of brokerage besides the fifteen per cent.?—No other charge.

629. Have you paid that yourself?—I have paid it; not to Mr. Heath, but to a person who was protected by him, who had the use of his establishment.

630. What charge for similar agency do private merchants make at Calcutta and Madras?—At Calcutta, two and a half per cent. for the provision of piece goods, and at Madras five per cent.

631. Do you know what was given to the producer for the articles so purchased?—I do not, I have merely the bill I was charged; but I know nothing of the manner in which the goods were procured, they were procured at a considerable distance from me.

632. Do you know whether the cochineal insect is bred in the Madras provinces?—It is collected in the southern provinces.

633. By whom is the cochineal prepared?—By the natives entirely.

634. What is its quality, as compared with that of Mexico?—Very coarse and inferior.

635. Do you know how the cochineal insect was first introduced into Madras?—I understood it was introduced by a doctor on the Madras establishment, about thirty years ago.

636. Is it a finer red than the lac dye?—It is; the lac dye is a substitute for cochineal.

637. Do you consider the Company's commercial agents as skilful and economical?—I do not.

638. Should you be disposed to employ them, provided you could get any body else to do your business as agent?—Not unless they possessed superior advantages to private agents, as magistrates.

639. You mean the power of dictating the price?—Entirely so.

640. Are the Company's commercial agents at Madras active, or have they

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 183

17 March 1831.

Mr. J. Saunders.

| Private Shipments of Raw Silk to England. | | | Honourable Company's Investments. | | |
|---|--------|--------|-----------------------------------|--------|--------|
| | Bales. | | | Bales. | |
| From 1st Jan. to | | | For the sea- | | |
| 31st Dec. 1817 | 778 | | son - 1817-18 | 5,153 | |
| Ditto - 1818 | 1,242½ | | Ditto - 1818-19 | 3,736 | |
| Ditto - 1819 | 666 | | Ditto - 1819-20 | 5,484 | |
| Ditto - 1820 | 1,330 | | Ditto - 1820-21 | 5,548 | |
| Ditto - 1821 | 903½ | | Ditto - 1821-22 | 5,759 | |
| Ditto - 1822 | 1,715 | 6,635 | Ditto - 1822-23 | 5,756 | 31,436 |
| Ditto - 1823 | 2,096½ | | Ditto - 1823-24 | 4,485 | |
| Ditto - 1824 | 1,447 | | Ditto - 1824-25 | 5,212 | |
| Ditto - 1825 | 2,233½ | | Ditto - 1825-26 | 5,655 | |
| Ditto - 1826 | 864 | | Ditto - 1826-27 | 6,255 | |
| Ditto - 1827 | 544½ | | Ditto - 1827-28 | 7,004 | |
| Ditto - 1828 | 1,878 | 9,063½ | Ditto - 1828-29 | 6,364 | 34,975 |

Increase of the last six years, from 1823 to 1828, over the previous six years, from 1817 to 1822, 2,428 bales, or about 35½ per cent.

Increase of the last six years, 1823-4, to 1828-29, over the previous six years, 1817-18 to 1822-23, 3,539 bales, or about one-half of the private, being only about 17 per cent.

2082. When you went out to India in 1824 had you a license?—I had not a license. Application was made by the parties interested in my going out, to the Court of Directors and to the Board of Control. I was not in London at the time these applications were made, but I understood that the applications were refused, both by the Court of Directors and the Board of Control, and in consequence I was obliged to smuggle myself out to India. I went out as the purser of a private ship.

2083. Did you reside some time in India before you obtained the license?—Several years before I obtained a local license.

2084. Did you reside with a feeling of security in India during the time you had no license?—Knowing that a license had been refused me before I went out, I was certainly under apprehensions till I got a local license.

2085. How long did you reside before you got a local license?—I believe it was in 1827, or in the beginning of 1828, that I obtained a local license.

2086. Was any reason assigned for not granting that license?—I was not in London at the time. I am aware of no other reason than that it was refused in consequence of the application coming from a house engaged in the India silk trade.

2087. Do

they much duty to perform?—They have little or nothing to do; it is considered as a pension branch of the civil service. 29 Feb. 1831.

641. Are they very numerous?—They are not, they do not exceed ten persons. *P. Gordon, Esq.*

642. Do you think the Company themselves are good traders?—I think not; no sovereign, I believe, ever traded to advantage.

643. Did there exist, in the province of Madura, any British-born subjects engaged in commerce, agriculture, or manufacture?—None, except myself.

644. Are there any in the neighbouring provinces of Tanjore or Tinnevely?—None.

645. What number of British-born subjects, of the description alluded to, may there be throughout the Madras provinces?—Twenty, chiefly shopkeepers, exclusive of persons in the service of the Company.

646. What is the reason why so many British-born subjects, not in the service of the Company, are engaged in agriculture and manufacture in the province of Bengal, as compared with the provinces of Madras?—Because the supreme government have systematically been favourable to interlopers.

647. In your opinion, is the presence of such persons as indigo planters a detriment to Bengal, or not?—I think they are the greatest advantage which Bengal enjoys at present.

648. Are the laws and regulations against the free settlement of British-born subjects in India more rigorously executed under the Madras government than under the Bengal government?—Much more so, and still more rigorously at Bombay.

649. Will you state the ground upon which you conceive that to be the case?—I have frequented Bengal for upwards of twenty years, without ever being interfered with in the slightest degree; I never was asked where I came from, or where I was going to. I was at Bombay once, merely as a passenger in a ship touching there on her way to Calcutta, and was sent for to the police office and strictly questioned. No country officer is allowed to sail out of Bombay without having free mariners indentures; in Calcutta, one person out of a hundred never has been possessed of free mariners indentures.

650. Were you allowed to continue at Bombay when you went there?—I had no purpose of continuing, but I should not have been allowed to continue.

651. Can a British-born subject, without a passport, travel through the presidency of Madras?—No, he cannot.

652. What is the nature of the passport he gets?—These are the passport regulations of the Madras government—[*producing the same*].—It is directed that his route shall be on the sea-coast. Only the principal officers of government

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2087. Do you know in what terms the application was refused?—I have not seen the correspondence, but I believe I could obtain it.

2088. Do you know what pretence was assigned for the necessity of your going to India?—I have stated before, that I have not seen the correspondence.

2089. Who made the application?—I object to mention names, but if it is absolutely necessary I can do so. This circumstance was mentioned in the House of Commons by a member at the time it happened. The gentleman who made the application is not in England, and for that reason, not having his permission, I cannot mention his name.

2090. Do you happen to know the reason why the license was refused?—I understood that it was in consequence of the application coming from a house which was interested in the Indian silk trade; my going from that house, I understood, was the reason of its being refused.

2091. Were you born in this country?—Yes; I am the son of an English clergyman.

Lunæ, 21^o die Martii, 1831.

JOHN IRVING, Esq. in the Chair.

21 March 1831.

P. Gordon, Esq.

PETER GORDON, Esq. again called in, and further examined.

2092. HAVE you any statement to make in explanation of your former evidence?—In my former examination I have stated that the market price of grass was lower than the tariff price of grass. This arises from the dimensions of the bundles not being fixed, so that the tariff price applies to large bundles, and the market price to small bundles. The same with regard to straw and fire-wood. I have also stated on a former occasion, that the lowest price of rice at Ramnad was four pounds for a penny; I find, by referring to a memorandum, that it is eight pounds to a penny. I have also stated that the sum of £60,000 annually had been expended on the water-works; by reference I find it is £40,000 only.

2093. Have you devoted any attention to the history and present state of the circulating medium in India?—I have for a number of years paid considerable attention to it in the way of business.

2094. Have you endeavoured to make yourself acquainted with the state of the circulating medium in India at some distant date?—I have, commencing with Ayeen Akbery, the official record of the emperor Ackbar, translated by Mr. Gladwin for Warren Hastings, under the express patronage of the Company.

2095. From

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ment can grant passports, which are to be countersigned at every station where he arrives. He is on no account to be allowed to go beyond the sea-coast; neither may he have a passport as a resident in any part of the Madras territory, but merely as a traveller.

653. Is it granted for a limited period, or unlimited?—The period is not specified. Occasionally it is said, till the period of his return, without specifying the number of days; and it is visited at every village by the native watchman and native police officer.

654. Do natives require passports to move about?—They do not.

655. Are there often vexatious delays?—I have been delayed several days in procuring a passport: I have been arrested and sent back twenty or thirty miles, merely because my passport was not countersigned, though I had taken leave of the collector in the morning, and was not aware of the regulation; and another time I sent for a passport, and the collector wrote back that he had lost his passport-book, and was obliged to give me a piece of paper written, which he assured me would answer the purpose.

656. By whom are those passports countersigned?—By the principal officers of government, who alone are authorized to grant passports, as collectors and commercial residents and commanding officers.

657. Having a passport, are you allowed to move from the residence of one collector to the residence of another collector?—Yes, and then to have the passport countersigned.

658. But it is inspected by the native officer of the village?—It is.

659. Have you experienced much delay in that inspection, in your case?—A good deal of annoyance and unpleasant interference.

660. Is there any thing paid for the passport?—Nothing.

661. Are those regulations adhered to strictly?—In the year 1828, under pretence of those regulations, I was imprisoned and marched to Madura, sixty miles into the interior, and imprisoned two months.

662. Will you state the particulars connected with that transaction?—I was at Ramnad; a native servant called on me for my passport, though I was not travelling, but residing. I reported the circumstance to the magistrate of Madura, sixty miles distant; the Assistant magistrate replied, that unless I could produce an authority for being in the district, it was his order that the law should be enforced. I was marched to Madura, attended by above a dozen persons, armed men; I was detained at Madura two months. I then proceeded to Madras, to bring an action against the collector in the supreme court. I took counsel's opinion, a copy of which is in the pamphlet I have delivered in; the counsel said, that in the defective state of the law as applying to India, I had no means of criminal prosecution against the magistrate. I applied to the Madras government, but received no answer from them; I went up to Bengal, and applied to the supreme government frequently during two years; after two years' application to the supreme government at Calcutta

2095. From the researches you have made, what appears to have been the currency of Hindostan on the accession of Ackbar?—Copper coin called the *dun*, weighing about half an ounce, appears to have been the official money and the most frequent coin; however, in some of the *soubahs*, the revenue accounts were kept in cowry shells, in almonds, and in measures of rough grain.

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2096. Is it supposed that gold or silver were current at that time?—Both were coined occasionally, but not as national coin, neither were they circulated at any fixed rate; they were coined and circulated at the market rate that they would fetch.

2097. Do you know whether Ackbar had any standard of value, or in what that consisted?—The *dun* was the money of account.

2098. Were there any mints in those days?—There were, of gold, silver, and of copper also. At Delhi might be the principal mint of gold; and in many of the other *soubahs*, where silver bullion was met with, there were mints for silver coin; and at most of the principal stations throughout the empire there were mints for copper coin, to the number of about forty.

2099. By whom were the mints managed in the different provinces?—By a separate board at Delhi, not by the *soubahdar* of the province in which the mint was situated; the mints were independent of the local governments in the *soubahs*.

2100. Do you know how the mint charges were defrayed?—By a tax on coinage. Mints were open to the merchants and other persons to bring their bullion at pleasure, and all the expenses were paid by a duty on coinage, which was apportioned out to the different labourers and officers of the mint.

2101. Were the coins current by the tale, or by weight?—When they were in a perfect state they were current by tale; when they were clipped, or in an imperfect state, they were current by weight, and they were also subject to touch.

2102. Were the revenues paid in coin?—In some places they were fixed in coin, and in other districts they were in kind, and also in services; frequently in land also the revenues were paid; as in *jaghias* for the possession of land, and also for the produce of land.

2103. Can you state at what period the English began to coin in India?—The first English Indian coins seem to have been a copper coin for Bombay, and at Bombay the Company very soon began to coin a copy of the Mogul's rupee of the Surat mint.

2104. Do you know when the Calcutta mint was first established?—In 1717 the Mogul granted a *firman* for coining, but the *soubahdar* of Bengal would not allow the Company to act on it; it was first established in 1757, on the capture of Calcutta by Admiral Watson: the *soubah* of Bengal was then forced to enter into an arrangement allowing the Company to coin at Calcutta; immediately the mint was erected, and rupees were struck bearing the Moorsheadabad impression.

cutta, I was referred to the Court of Directors. Immediately on my arrival in this country, three months since, I applied to the Court of Directors, and have not yet received any answer to my application.

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663. You stated, that you went from Madura to Madras; did the collector allow you to go without any application to the Madras government?—Immediately that the collector had reported my arrest to the Madras government, the Madras government ordered that I should be released, and the armed peons were taken off from me; till that time four policemen were constantly in my room, but still I was detained; and whilst a prisoner, he sent a fresh summons, and they forcibly dragged me into his court to answer to a set of interrogatories, which I would not answer.

664. Who was the collector?—Mr. Rous Peter, at Madura.

665. Is the collector still living?—I understand he has destroyed himself, in consequence of some investigation into his affairs by the Madras government.

666. Will you have the goodness to read the counsel's opinion?—It was a case submitted to Mr. Lewis, a barrister, and clerk of the Crown at Madras:

“ Mr. Lewis is requested fully to consider the foregoing case, on the part of Mr. Peter Gordon, and to advise that gentleman whether any and what criminal prosecution can be sustained by Mr. Gordon against Mr. Rous Peter, for the arrest and imprisonment of, and arbitrary conduct towards Mr. Gordon, as above detailed, and the steps by which copies of warrants and proceedings may be procured, if it is not a criminal case.

“ *OPINION: Ex parte Mr. Peter Gordon.*—I have read the accompanying case, which is one of as much unjustifiable oppression as any I have ever yet met with, and one, I should say, as much calling for the interference of the government, by inquiry at least into the conduct of one of their servants, as well can be imagined. That there has been the most unwarrantable abuse of authority on the part of Mr. Rous Peter, is evident; and that he has made an almost obsolete regulation of government subservient to his own private purposes, is equally so, by the arrest and detention of Mr. Gordon's person, at a time and under circumstances which render justification totally impossible. The government of Madras, it would appear, in complete abandonment of its own regulations as respected Mr. Gordon, thought fit to accept of him as a renter, he rendering the enormous sum of about 100 rupees a day; a circumstance fully known to Mr. Peter, the farms rented being in his district. Mr. Gordon, it would appear, resided generally upon the farms, going backwards and forwards to Madras, Calcutta, and elsewhere, for a period of three years, as it suited his purposes and occasions, in all which time Mr. Peter, who must necessarily have had advice of Mr. Gordon being a renter, never once interfered with his personal liberty, or instituted any inquiry to discover whether Mr. Gordon was or not a British subject within the 53d of the late King; neither do I think it was competent to him to have done so, unless he had assumed an authority paramount to the government itself. The moment, however, that one of Mr. Gordon's contracts is determined with the government, for it appears there is another one still existing, and before Mr. Gordon has time to adjust his affairs consequent to his contract in Mr. Peter's district, he is, without previous notice to depart, seized, and placed in a state of rigorous confinement, and subjected to personal insult. Mr. Gordon is however ordered, upon his own remonstrance to the Governor in Council, to be liberated, and Mr. Peter

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2105. Do you know the regulations of the Company's coinage?—At a very early period, by Royal charter or by Act of Parliament, the Company was authorized to coin in India copies of Indian coins, with the permission of the prince, and on condition of their bearing the same impression, and being of the same weight and touch with the Indian coins of which they were copies.

2106. Are you speaking now of any particular presidency, or of the whole of them?—The charter or Act was not limited in its application to any particular presidency, but was general with reference to the Company's factories in India.

2107. Do you mean to say that the Company's mints in India were regulated by Act of Parliament?—When they began to coin, or perhaps before they began to coin, for their own security, of course, not to be liable to the punishment of coiners, they received a Royal charter or Act of Parliament, authorizing them to coin in India, with the permission of the prince whose coin they copied.

2108. Are the mints still regulated by the provisions of that charter?—I am not aware of the provisions of this charter having been extended, and the Company being allowed to originate coins, or to coin without the permission of the prince, or of a different standard and touch; but they actually do these things, which I believe to be illegal by the law of England.

2109. Are all the Company's mints under the same administration, or has each presidency its own mint?—There is no general administration in India of the mints; each presidency manages the mints of that presidency uncontrolled in India.

2110. During the last twenty years what have been the most important alterations in the Company's coins?—At Madras, in 1818, the standard of value was gold, then it was altered to silver: the weights and touch of the coins have also been altered very frequently. The last considerable alteration has been within two years, assimilating the rupee of Bombay to that of Madras, in all but in its impression; they are exactly of the same weight and touch, but they bear different impressions, consequently they are not mutually current.

2111. Has the proportion of value between gold and silver been maintained?—It has been frequently altered within a very few years.

2112. Can you state the proportions which the value of gold has to silver?—At present it is one to fifteen. At Madras and Calcutta the proportion was very different indeed up to 1818: in 1818 I think it was established at one to fifteen, and has remained so ever since in all the three presidencies; that is the only point in which the three presidencies agree in their coinage.

2113. Do you mean to say, that in coins of the same denomination there is a different weight of silver in each presidency?—Yes; for three years ago
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is directed to ascertain the fact whether Mr. Gordon is a British subject within the meaning of the Act above quoted ; and this fact it pleases Mr. Peter to endeavour to come at by personal interrogation of Mr. Gordon himself, who is further imprisoned, and dragged, in violation of every principle of law and of natural justice, in custody of armed peons, before Mr. Peter, to answer his interrogatories. I cannot conceive for one moment that the government could or would sanction such a course of proceeding as Mr. Peter seems to have pursued ; and I think it may fairly and in justice to the government be presumed, that Mr. Peter has misstated the case to the government, if the government has refused inquiry into Mr. Peter's conduct, and redress for his misbehaviour. Although I repeat that Mr. Peter's acts are most unjustifiable, I might safely add scandalous, yet I regret to say that I do not know of any criminal process which can reach him, in the defective state of the law as applicable to India ; and I am of opinion, that no criminal indictment could be sustained against him alone, though he would be answerable, heavily so, I should say in a civil action, for the injuries he has inflicted on Mr. Gordon. Mr. Gleig seems to be mixed up with this transaction in a way which certainly does him but little credit ; and I think it may be collected from the general statement, that he and Mr. Peter were acting in that degree of undue concert together, that I am decidedly of opinion they might be indicted for a conspiracy, and would be so properly indicted, if the facts alleged to have taken place in respect of a member of Mrs. Miller's family, at Ramnad, could be established, or that that lady could be induced to disclose all the facts within her knowledge ; but without the aid of the testimony of Mrs. Miller, and her daughter, I cannot hold out any hope of redress to Mr. Gordon, even to this extent, notwithstanding all he has suffered. In closing this, I cannot avoid again repeating the advice I formerly gave Mr. Gordon, of making a temperate but urgent remonstrance to the government on the injury and degradation he has suffered, accompanied by a request that the government will furnish him with copies of Mr. Peter's and also Mr. Gleig's correspondence with government on the subject of Mr. Gordon's arrest and detention, and the causes assigned for it, and also for copy of that letter written by Mr. Gleig to Mrs. Miller. I feel almost confident such an application would succeed. If it did, Mr. Gordon might be put in possession of evidence which might materially assist him in the attainment of justice, and enable him to benefit the public generally by the exposure of a system which evidently requires reformation, as his own case but too strongly proves.

" Madras, 1st May 1828."

(Signed) " ROBERT LEWIS."

667. Do you know whether the regulation which the counsel describes as nearly obsolete, is still in force ?—The passport regulations were evidently made for a state of war. I left Madras immediately after this, and I have not been at Madras since.

668. Have you a copy of the case upon which that opinion was given ?—I merely submitted the correspondence which took place between myself and the magistrates, as contained in this pamphlet, " Official Correspondence."

669. Did you make any application to the government of Madras ?—I did.

670. Did they institute any inquiry into the conduct of Mr. Peter ?—When this book was published at Madras, I understood that a commission was sent down to inquire into the state of the Madura district. I had previously stated, that in the cash balance of Mr. Peter there was a deficiency of

the presidency of Bengal there was the Calcutta rupee and the Furruckabad rupee, differing in weight from each other; at Madras, the Madras rupee differing in weight from the Bombay rupee, or from any of the Bengal rupees.

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2114. What effects do alterations in the coinage produce upon the natives?—The slightest alteration, even when there is no alteration in the impression, any new coinage which they can detect, causes a difference in the value of the rupee; it bears either a premium or a discount, usually a discount upon a new coin of a halfpenny or a penny. In 1824 there was a new coinage at Madras, exactly the same weight and touch and impression with the former rupee; but the new rupees as they came into circulation were constantly at a discount of one or two pice, that is, one halfpenny or one penny on the rupee.

2115. By touch do you mean the quantity of alloy in the metal?—Yes.

2116. Does the quantity of alloy in gold differ in the different presidencies?—At present in all the presidencies silver and gold are of the same alloy with Tower of London gold coin; twenty-two carats of pure in twenty-four carats of coin, is the established touch for silver and gold at present in all the three presidencies.

2117. Do those alterations in the coinage subject the natives to impositions from money dealers?—Yes, to very great imposition. Those alterations are profitable to the money dealers as they increase their trade, but are very oppressive to the lower classes of the natives; the lower they are the more oppressive it is to them.

2118. Do you conceive it desirable that the coinage should be uniformly and well executed?—Extremely so. In no country in the world is it so necessary that the coin should be perfectly executed, and kept in perfect order; for even if the coin wants the jingle, that is, if it will not ring, or if it has the slightest scratch, or appears damaged at all, it is subject to a discount.

2119. Can you refer to any period in the history of India at which the coinage was equal to its present state?—Machinery was never in the state in which it is at present.

2120. How many mints are there under the management of the Company in India?—In Bengal the mint of Calcutta and the mint of Furruckabad may be the only mints; at Madras one mint; at Bombay one mint.

2121. Besides those avowed mints, are there others under the management of the officers of the Company?—There are numerous mints in the Nizam's territory, in the kingdom of Oude, and in the Mahratta states, under the management of the Company, though not avowedly.

2122. In what respect are those mints under the control of the Company's officers?—In the same manner as every other branch of the government of those countries managed by the will of the resident; the sovereigns of those countries are actually the residents of those countries.

of £100,000: to investigate this and other charges, a commission, I understood, was sent down to the Madura district, which he could not meet, and therefore destroyed himself.

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671. Have you made any application to the authorities in England since your arrival?—Directly I arrived in England, I went to the India-House and saw the Secretary, who directed me to make an application in writing; I have called there frequently since, and have been promised an answer.

672. What was the date of your first application?—The 26th of November, in the last year, and I was at the Examiner's office about a week ago.

673. How long were you resident at Ramnad?—Five years.

674. What were you engaged in?—In farming the revenues.

675. Under whom?—With the collector of Madura, and I was also in communication with the government.

676. When did Mr. Rous Peter die?—In 1828, a few months after this took place.

677. Was any inquiry instituted into the circumstances of the case by the government of Madras?—There was a correspondence, which I have never been able to see.

678. Had there existed any causes of private difference between you and Mr. Peter?—There was much correspondence between us. The first was about the duty on British iron; from that time, there was frequent correspondence with respect to custom duties, the assistance I was entitled to receive from government in support of my farming, and the opposition I received instead of assistance.

679. Where had you been in the intermediate period between the date of these occurrences and your arrival in England?—Two years I was applying to the Bengal government, and the day I got an answer from the Bengal government I embarked for England, before the written answer arrived, as soon as I received a verbal answer referring me to the Court of Directors in England.

680. Had you any other object in Calcutta than that of awaiting the result of your application to government?—Obtaining employment. I resided in Calcutta. I was idle the greater part of the time, and was constantly applying to government whenever I could; part of the time I was very ill.

681. How were you employed during that period?—I was three months in Saugur Island.

682. During all that period were you in the habit of making applications to the government, and obtaining no answer?—No answer till very lately, when I went personally and obtained an answer.

683. To whom did you apply?—Both to Mr. Bayley and Lord Bentinck. The two first applications were made to Mr. Bayley's government, and immediately afterwards to Lord Bentinck, who arrived in July 1828.

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2123. Do you consider it advisable that the money circulated in India should be coined in India, or in this country?—In this country.

2124. For what reason?—It would be more cheaply coined and better executed.

2125. Did you ever reside in any of those places where you say the mint is under the influence of the British Government indirectly?—No, I did not.

2126. Upon what authority do you assert that those mints are under the control of the British ministers?—In the same way that I assert that the sun rose this morning: I have no personal knowledge of it, I did not see it rise; but from many official reports and examinations into the state of those countries.

2127. Will you take for example the state of Oude, and refer to any one official report which proves or even insinuates that the British Government possess or ever did possess, directly or indirectly, the smallest influence upon the mint of Oude?—I remember several official reports that mention that the treasury was in the resident's house, and I know that the collection and all the detail of the treasury is managed by the resident, and has been for many years.

2128. Do you mean the Company's treasury, or the treasury of the state?—I mean the treasury of the state.

2129. From whence do you derive that information?—From the Hydrabad papers, and prior to that from the documents published by this House relative to Warren Hastings's trial.

2130. Can you refer to any particular document or any statement of that nature?—I have no doubt I can do so, but I have no document here with me.

2131. In what mode would this country be supplied with gold, silver, and copper, for the circulation of India?—As it always has been ever since the communication with India has been opened, by the natural operations of commerce; the mines of America and the mines of Europe would supply it. The greater part of the cargoes sent from this country to India and to China always has been in specie for the purchase of Indian commodities. Venice did the same, and Rome did the same. It has always been the course to export bullion to India and China.

2132. Is it not the case, that from the rate of exchange between India and Europe, the precious metals in some years, especially at particular junctures, have taken an opposite course, and have flowed from India to Europe?—They have.

2133. That being the case, would it not be a great expense to have the coinage made in England, and transmitted to India?—It would be an advantage to merchants to have a mint in London, where they could apply for Indian coins, or for coins which had circulation throughout British India, at their

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684. Who was the governor at Madras at the time?—Mr. Lushington during the whole time.

685. Did you suffer considerable loss from this interruption to your business at Ramnad?—As nearly as I can estimate it, £100,000.

686. In what way?—In the total ruin of the farms. Instead of having assistance to carry on those farms, I experienced constant opposition.

687. When did you take the farms?—From 1823; but the disputes were in 1825.

688. When you estimate your loss at £100,000, do you mean a loss of property actually realized, or a loss of profit which you might have made?—It is a vague estimate: it was a destruction of capital, and a loss of all that might have been realized by the farms for which I was paying a rent.

689. What was the amount of the rent you paid?—I think 80,000 rupees a-year for Tinnevely farm, and 27,000 rupees a-year for the Ramnad farm, 11,000 for the Chia farm, besides other mercantile engagements which I had.

690. Were you not aware that your occupation of those lands was contrary to law?—Not when I took them. I did not occupy lands, I farmed revenues.

691. When was it you took the farm of the revenue?—It was taken in 1823 by the House of Scott & Company in Calcutta, who sent me as their agent to inspect all their concerns in Southern India, and I returned to Calcutta, and then entered into fresh engagements with the government at various periods. In July 1824 I took the farms of Ramnad for three years, and then the next year I took the farms of Tinnevely.

692. From whom did you take those farms?—From the Madras government, and from the collectors of Tinnevely and Madura. Before I entered into any thing, I was in correspondence with the Revenue Board, through the agency of Arbuthnot's house.

693. For what length of time did you take this?—By different leases; one lease I entered into was for three years, from the collector of Madura, and for three years with the collector of Tinnevely, with the sanction and approbation of the Madras government.

694. Which was the farm you took for three years?—Both the Ramnad farm and the Tinnevely farm, I had first for one year, and afterwards I took each of them for three years. In 1823 I had them for one year; in 1824 Ramnad was under the management of the government, and in the middle of 1824 I took it for three years, which would expire in July 1827.

695. When did your imprisonment take place?—In December 1827; but the Tinnevely farm was not expired then, and the property that had been produced of chanks that had been fished, were in the warehouse at Ramnad, and not disposed of.

their pleasure. If it was not for their interest, they would not apply. But the principal causes that operate on the exchange between India and England are political transactions, and the duties imposed upon Indian goods in England; it is quite an artificial rate. 21 March 1831.
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2134. Without reference to the political causes or to the operations of commerce, when the exchange between India and Europe is unfavourable to India, if the coinage for India were in England, would it not, in proportion as the rate of exchange was unfavourable, enhance the price, and of course the expense of that coin which is destined to circulate in India?—The bullion goes out at present, and is coined dearly in India, whereas it might be coined cheaply in England, and then be sent out.

2135. Would not the expense of insurance and other charges be necessarily added to the cost of the metal, and consequently enhance it when it arrived in India precisely in proportion to those charges, and would it not, in addition, be burdened with the difference of exchange?—The charges enumerated would be the same on coin as on bullion, but I do not see how it would be burdened with any particular rate of exchange. The transaction would be profitable or unprofitable according to the rate of exchange.

2136. Do you suppose that India and Europe would be mutually supplied with specie, as they happened to have a demand for them?—Certainly, the rate of exchange adjusts itself.

2137. According to the comparative cheapness or dearness of money in different countries?—And a comparative demand for it, affected principally by political and commercial events, also by natural causes, as dearth and scarcity in the countries.

2138. Do you suppose that as cotton grown in America is brought to this country, and after being manufactured is exported to India, so, if there was a demand for it, silver would be brought to this country and coined, and then exported to India?—Exactly.

2139. Supposing one presidency requires a supply of money from another, how is the remittance made?—In specie.

2140. Supposing a remittance is made from Madras to Bengal in the coins of Madras, what becomes of those coins on their arrival in Bengal?—They go into the melting-pot, because they have no currency in the adjoining presidency of Bengal; even the coins of Furruckabad have not currency at Calcutta; in that other part of the same presidency of Bengal they are mere bullion.

2141. Can you state what is the amount of loss on every remittance of specie sent from Calcutta to Madras?—The dollars, when coined into rupees at Madras, pay a duty of two per cent.; the rupees of Madras sent up to Calcutta have to pay, even on board the Company's own ships, at present, I understand, two or two and a half per cent. to the commander, added to which ought to be charged the freight due to the ship, also the risk and the loss of interest. When they arrive at Calcutta they are mere bullion, and have

696. Up to December 1827, had you the full management of the farm you took?—Yes; I had been called up to Madras the year before, and the management of the chank fishery had been placed in the hands of the collector. I was not allowed to appoint any person to take charge of it, and I had offered to give it up to the government, and begged the Company to take it; they entirely refused to take it on their own account, but appointed the collector to manage it during my absence. 22 Feb. 1831.
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697. Are you still in possession of any of those farms?—When I left India, the house with which I am connected continued the Tinnevely farm under a lease from the government, but not the Ramnad farm. I do not know that it was renewed for the present year; the lease was till the 12th of July 1830.

698. What was the object of the lease?—The exclusive privilege of taking chank on that coast, which are sent to Bengal, and sold in the Bengal market.

699. Then it had no reference to the land?—None. It is called a farm because it is a farm of revenue; but the chaya root is dug on the land, and I had a right of digging on the land of every person.

700. Did you collect any land revenue?—Yes, it is a branch of the land revenue; it is entered under the head of mahl.

701. What is chaya root?—A dye root, a species of madder. I had the exclusive privilege of digging chaya root in the kingdom of Ramnad.

702. Had you anything to do with the grain crops or the cotton?—Nothing.

703. Does not that province produce very fine cotton?—It does.

704. To what process are those chank shells applied?—As ornaments; also in the religious rites of the Hindoos, for pouring water out on their idols when they are saying prayers; and every person attending the burning of a body, who wishes to show respect to the body, takes a chank shell.

705. Was your contract much of the same nature as the pearl-fishery?—It is of the same nature, and it is on the same coast.

706. Did you pay an annual rent?—An annual rent.

707. Are those shells exported to other parts of India?—Only to Calcutta.

708. Is the produce arising from that fishery considerable?—It varies considerably in point of value and in point of produce, according to the number of persons employed on it. The year it was under the government management about 150,000 chanks were obtained.

709. Can you state the value of the Tinnevely cotton, as compared with other cotton?—In the custom-house tariff the cotton of Madras generally is valued at 100 rupees per candy; but Tinnevely and Ramnad cotton is valued at 120 rupees per candy.

21 March 1831. *P. Gordon, Esq.* have to be recoined ; and if on private account pay two per cent. seignorage to the Company, including the charges of the mint for fuel, &c. If it is silver of another standard, it has to pay also for refining ; but at present, as the silver and gold are the same standards at each presidency, it is merely recoinage.

2142. The Committee understand, that you conceive the best remedy for it would be one general coinage for India, and you would recommend that coinage to be struck in this country?—Undoubtedly. Under the Mogul there was one coinage ; it is only under the Company's administration that the rupees have been altered. Since the Company have coined at Surat, the rupees of Surat were of the same touch and weight as at Calcutta ; but it is by being under separate superintendence that the Mogul's Delhi rupee has branched into Bombay, Madras, and Calcutta rupees, and those three species of rupees have sprung up from one source. The Company has always been desirous of reverting to one fixed standard. Two years ago, in Calcutta, the Finance Committee from the three presidencies had that subject under their consideration, to adopt one rupee for the whole of the three presidencies ; but they were not able, I believe, to fix on a standard.

2143. Do you mean that before the Company established itself in India there was one universal standard?—There was one universal standard, the Delhi standard ; even as late as the time when the Company began to coin rupees it had not been lowered. The Company coined rupees at Bombay at an early period, of the Delhi standard. Even in 1757, when the Company began to coin at Calcutta, the rupee coined by the Company at Bombay had been but very slightly depreciated ; but the Bengal rupee, in which, then, the Company had never interfered, had been kept up to the Delhi standard.

2144. Upon what principle is it that the calculation is formed of the exchange between the three presidencies?—It is on an arbitrary principle, for the convenience of the Company's accounts ; that is, the Company's exchange in their accounts between each other. At Calcutta, the current rupee, which is an imaginary coin, is estimated at 2s. ; at Bombay, the rupee is rated at 2s. 3d. ; and at Madras, the pagoda, which is the currency, is rated at 8s. ; all arbitrary assumptions.

2145. Are not those rates of exchange referable to the coins in circulation?—Not at all. With respect to the current rupee at Calcutta, there never has been such a coin struck ; it was fixed on by the Factory in Bengal before the Company had any territory, merely for the convenience of their mercantile accounts.

2146. Is there no positive ground or principle which regulates the exchange?—The same as in Europe, the demand of the day, the fluctuating exchange ; the actual exchange between the different presidencies fluctuates daily.

2147. Are you not aware that the exchanges of Europe have reference to the quantity of metal, and the value of that metal contained in the coins of each country?—What is called the par of exchange has, and of course the same

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710. Are all Europeans travelling for commercial purposes obliged to be furnished with a passport?—They are.

711. Are the servants of the East-India Company obliged to be furnished with a passport?—They are, except military officers in charge of military parties.

712. What is the term as applied by the regulations to an European travelling out without a passport?—Vagrant: he is liable to be arrested and imprisoned while a report is being made to the supreme government at Madras.

713. Is any reward offered for his apprehension?—There is a reward of ten pagodas for his apprehension.

714. What are the regulations with regard to licenses and passports under His Majesty's Government at Ceylon?—Europeans require neither license nor passport; but coast natives require a passport when travelling to the interior.

715. You stated, that the natives of Madras do not require a passport?—They do not when travelling about the presidency of Madras.

716. Would a native of Ceylon require a passport in the Madras presidency?—None; but Europeans require passports in the Madras presidency.

717. Was the government of Ceylon ever administered by the East-India Company?—It was, by the Madras servants.

718. For what period?—From 1796 to 1802.

719. At that period were the regulations with respect to passports, and the exclusion of British-born subjects to hold land, enforced at Ceylon as they are now at Madras?—They were.

720. What, in your opinion, is the reason of the difference between the conduct of his Majesty's Government at Ceylon and that of the Madras presidency?—The Company's government has no authority over Europeans short of transmitting them, therefore it does not like their rivalry in trade, or their obtaining a settlement in the country; the King's Government in Ceylon has full authority over Europeans.

721. Supposing permission were given to Europeans to reside in India, would it not be necessary that they should be amenable to the laws existing in the spot where they reside?—It would be necessary and desirable that the local courts should have jurisdiction over them.

722. What do you mean by the local courts?—They ought not to be Company's courts; they ought to be King's courts, established in every zillah. At present the provincial courts of Ceylon are superintended by a supreme court, which goes on circuit; but the local courts of the Company are not under the supreme courts of the Company.

723. Do you know whether the King's Government in Ceylon has at this moment the power of deportation or not?—It has the power of deportation, and imprisonment without the benefit of *habeas corpus*.

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same might be applied; but the plan which has been fixed on for keeping the Company's accounts was not on that calculation, it was fixed in round sums of 2s., 2s. 3d. and 8s.; and those fixed rates of exchange for the Company's accounts were kept steady, though the currencies of the different presidencies were frequently altered.

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2148. Are you not aware that exchanges between countries are regulated by the quantity and the value of the metal contained in each, and in addition thereto, by the expense of transmitting those metals from the one country to the other?—Those are the principal causes operating on the rate of exchange; but if they were the only causes, they would always be stationary.

2149. Supposing that were a principle admitted to govern the exchanges of Europe, is there anything in the intercourse between the three presidencies which ought to vary that principle?—Nothing; the three presidencies are situated as three different countries in Europe.

2150. Do you think the proper regulation for fixing the value of the coin would be the quantity of pure silver in the coins?—Certainly.

2151. Do you think that two-shilling and one-shilling pieces, with the sterling stamp upon them, would be a suitable coin for circulation in India?—It would become current; the two-shilling piece would become current as a rupee; in fact, the rupee at present is just a two-shilling piece. I think the sicca rupee is heavier than two shillings, and the Bombay and Madras rupee is lighter than two shillings; but since the standard in England is gold, and in India is silver, there can be no par of exchange.

2152. What is the difference in value between the Calcutta sicca rupee and the Bombay and Madras rupee?—Within two years the Bombay rupee has been altered to the same standard of weight and touch as the Madras rupee, consequently they are exactly the same, they differ only in the impressions they bear; their weight is fifteen-sixteenths of the Calcutta sicca rupee, and their touch is exactly the same.

2153. In the event of Europeans being permitted to settle freely in India, and to introduce capital there, under good laws and proper security for persons and property, are you of opinion the banking establishments would be extended to the principal provincial towns?—Undoubtedly; they would be among the first undertakings of Europeans in India, as they have been at Calcutta.

2154. In your opinion, what would be the effect of such establishments on the agriculture, manufactures, and commerce of the country?—Extremely beneficial, as in every country capital is the principal staple of every manufacture.

2155. Are there not native bankers established in all the principal towns in India?—Throughout all India; and money-changers in every street, in every town, in every village.

2156. Do

724. Is it your opinion that such a power should be vested in the King's Government in India, in case it were taken away from the Company?—
Certainly not.

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Lunæ, 28^o die Februarii, 1831.

PETER GORDON, Esq. again called in, and examined.

725. HAVE you any explanation to afford the Committee of your former evidence?—Yes.

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726. You stated, it was not necessary for the natives of the Madras provinces to have passports within the Madras territory similar to those necessary for British-born subjects; do you wish to explain that answer?—I was thinking of the published passport regulations. Those regulations do not apply to the natives; but a system of passports is maintained, by which a native cannot pass from village to village; he cannot carry a burthen for any traveller, nor go to work in any town; he is obliged to apply to the native servants of the government, who are at the same time employed in the revenue of the village, and obtain a chit, which is written on a leaf, without which he cannot quit the village for a day's work.

727. Does there exist a regulation to this effect in the Madras presidency?—In the printed civil regulations of the Madras government there is nothing of the kind.

728. Is there any other regulation you are aware of, upon that subject?—I am not aware of any express regulation, but the whole system is carried on against the published regulations.

729. Is it the practice that those passes should be given?—It is the universal practice.

730. What is its object?—To force the inhabitants to remain on the lands on which they were bred, to cultivate them for the Company on the Company's own terms. Were it not for this regulation, they would quit their lands, and go to the towns and work as labourers.

731. Are you aware of any instances in which individuals have been prevented emigrating from the country to towns for that purpose?—Constantly. I have constantly had labourers who were obliged to receive those chits, and I have given those chits to my own slaves, my own chank divers and chaya diggers, for their persons and their boats.

732. Is this a practice generally prevalent in the Madras territory?—Yes, it is general, if not universal.

733. Are

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2156. Do you know at what rate the native bankers discount bills of exchange?—Even as high as five per cent. a month, in small dealings.

2157. What number of European banking establishments are there throughout India?—At Bombay I am not aware that there is any bank; at Madras there is one bank, the Company's bank entirely, which receives deposits, and discounts, and issues bank notes, which have no currency beyond the limits of the city of Madras, in the Company's treasuries. At Calcutta there is one bank, of which the Company holds one-fifth share, and four private banks.

2158. Has the bank, of which the Company is a shareholder at Calcutta, a charter under the provisions of the 47th of Geo. III.?—The Company's bank at Calcutta is a chartered bank, and is a joint-stock concern under the 47th Geo. III., c. 68, ss. 8 to 10, which empowers the Government to grant charters to banks in India.

2159. Have any other banks charters under the provisions of that statute?—None of the other banks have charters; they have applied for them, and have been refused.

2160. Do you know the reason why they have been refused?—It is impossible to know the reason, but it is supposed that the Company is desirous of monopolizing to itself as much as possible the trade in money at the presidency of Calcutta.

2161. Can you state the present value of a share in the bank of Bengal in which the Company are partners?—The original subscription was 5,000 rupees; at present they are usually worth above 10,000, and as high as 11,000 rupees, and I think they have been higher than that.

2162. Do you conceive that the profits of that bank would be materially reduced were other banks to obtain charters?—If the other banks were chartered, it is most probable that the profits of banks under private management would be greater than that of the bank directed by the Company, and administered in a considerable degree by the Company's officers ex-officio.

2163. Do you know what was the original stock of the chartered bank?—Half a million sterling.

2164. Do the notes of the different banks pass among the natives as specie, without discount?—As specie, and of course they always will while they are exchangeable on demand for specie. They have always done so, with the exception of one day during the Burmese war, when it was stated in the public prints that the Company's bank had refused payment of its notes.

2165. Do the notes of the Calcutta bank circulate beyond the town?—Among Europeans and private persons they do, but they are not receivable in the Company's treasuries beyond the city of Calcutta.

2166. Are they received in the treasury of Calcutta as cash?—They are received as cash in the government offices in the city of Calcutta.

2167. Do

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733. Are there any servants of the East-India Company now in England who can speak to this practice?—Yes; Mr. Cotton, his Majesty's Justice of the Peace and principal collector of Tanjore, Mr. Alexander Sinclair the younger, Mr. Ogilvy, and Mr. Gleig.

734. Where were those gentlemen employed?—In Tanjore and in Madura. They are now resident in England, and must necessarily be conversant with this system, which they have carried on for years.

735. Supposing a cultivator to quit one collectorate and to proceed to another without a pass-note, would he be claimed and sent back?—Constantly such claims are made, and they must have been made by Mr. Cotton and the other gentlemen I have mentioned. The claims are attended to, and they are sent back, quite as much so as West-India negroes are sent from one plantation to another.

736. Are you not aware that the practice of giving pass-notes to cultivators and others, and seizing the fugitive peasantry in the way you have described, does not prevail in Bengal?—It prevails in Bengal, as far as regards the Company's ryots, whether weavers, silk-winders, salt manufacturers, or opium cultivators. I have a recent instance of it: "1824, February 10th; R. Plowden, salt agent at Hidgeelee, to D. Hodges, Mud Point, Saugur Island." I met with the copy of this letter on the books of the Saugur Island Society:—

"SIR:—Having accurate information that the following salt manufacturers of the Hidgeelee Salt Agency have absconded from hence, and taken advances, as labourers or otherwise, for the works carrying on under your superintendence at Saugur Island, I beg to send a person who will identify them, to request that they may be respectively delivered over to the charge of the bearer of this letter."

737. Where does that letter appear?—On the proceedings of the Saugur Island Society.

738. Can you vouch for its authenticity?—Yes, I can. I succeeded to the person to whom it is addressed; he is now in the Company's service as a surgeon.

739. Do you know anything of the circumstances under which that letter was written; whether the persons were defaulters, or had entered into engagements they had not fulfilled?—The ten men's names followed, which I have not here; the claim is made as against ten defaulters. The next letter is from the same person to the same person:—

"SIR:—I am favoured with your letter of the 24th instant, in reply to mine of the 10th, requesting the restoration of ten mollungees therein named, who had absconded from this division. I beg leave, in reply, to inform you, that I can recognize no authority in the committee of management for the Saugur Island Society, to whom you have referred my letter, that is paramount to the enactment of the Legislature, which prohibits mollungees from seeking other employ while under an engagement to the Company. (Paragraph the second :) A person having been deputed by me to identify those

2167. Do you know whether the notes of the Bengal bank are received by the country collectors in Bengal or not?—If they are received it is on their own private responsibility, but it is understood that it is against orders to receive them. 21 March 1831.
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2168. Do you mean that it is against the regulations of the Government?—Not the printed regulations, but the instructions for the guidance of officers.

2169. Have you ever known them refused by the country collectors?—Outside of Calcutta, in Bengal, I have never had occasion to pay any money into a government office, but I have with me a correspondence refusing them at Madras.

2170. Are the notes of the government bank at Madras received as cash at the provincial treasuries throughout that presidency?—They are not.

2171. What do you understand to be the reason of their being refused?—I have heard it stated that it is in order that specie may not leave the country; the taxes are not received except in specie.

2172. Is not paper money convertible into specie on demand?—At Madras it always has been, since the establishment of the bank.

2173. At what do you estimate the amount of paper money in circulation throughout India?—In bank notes at half a million sterling.

2174. Do you conceive that the commerce of the country could beneficially employ a larger paper circulation in the shape of bank notes?—It would immediately employ at least £50,000,000 sterling, if banks were on the same footing that they are at present in England.

2175. Do you think that native as well as European capitalists would place confidence in European banking establishments?—They would, as they do in other transactions with Europeans, not entirely from the personal character of Europeans and the integrity of their dealings, but also from their connections with England. The bankers of Calcutta are connected with the House of Lords and the House of Commons, with the Government in England; the native bankers, who are spread all over India, have not this support; they can be ruined by an act of the Company's officers, without appeal further than the Sudder dewanee adawlut. The administration of justice, of course, is the chief security and means of giving confidence to a bank.

2176. Supposing that what you recommend were adopted in India, and that banking by Europeans in the different provinces were admitted, how would such banks be conducted; what manner of securities would they lend their money upon, and how far would the circulation of paper displace the circulation of metallic money?—They would be conducted as at present in the cities of Calcutta and Madras.

those persons, I consider their further detention, pending a reference to the authorities you have named, as a very great and uncalled for impediment to my availing myself of the services of those individuals, and as a very serious delay and loss on the business of the agency confided to my superintendence. (Third:) Previously, therefore, to my taking any further steps in this matter, I have to repeat my request, that the persons in question may immediately be returned.

28 Feb. 1831.

P. Gordon, Esq.

"I am, Sir, your obedient servant,

"R. C. FLOWDEN, A. H. D. Hidgeeloe."

740. Those latter cases, to which you have alluded, are cases in which advance had been made to parties engaged in the salt manufacture?—All the inhabitants of India are in debt to the Company, by the showing of the Company's accounts.

741. Do you imagine, in the cases you have mentioned with regard to the salt manufactures at the mouth of the Ganges, that the parties so claimed had had advances made to them on the part of the Company?—It is pretended so by the government. By experience, which makes me acquainted with the system, millions know it who cannot appear in this court to witness against this system; I consider them in the same situation with the whole of the rest of the natives, particularly in the southern provinces: it is a fictitious debt.

742. Is it the practice to make advances to mollungees?—Yes, it is.

743. Have you any reason to believe that practice to have been deviated from in those instances?—Forcible advances are made. I do not consider a man is a debtor, any more than if sixpence is laid at my door and is claimed as a debt; and I know that is the custom of the Company with the natives.

744. How do you know that?—By experience.

745. State some of your proofs within your own knowledge; you are aware you are making very serious charges?—This is an extract from the Surat Diary, made by Mr. Rickards, which is an official document, and it exhibits the system of advances.

746. What is the date of it?—From 1796, annually, up to 1811.

747. Is Mr. Rickards in this country, who made that statement?—He was a member of this House, and I have seen him this day. Innumerable proofs have occurred in my own knowledge. I have been carrying on, in a degree, the same system myself; and many particular instances are contained in this official correspondence between myself and the government, and I dare say I can turn to some that bear on the point in a minute. Here is an instance, not exactly of their persons, but their property being taken away, their sheep; and the reply of the commandant of the town is, it was not for himself but for his dogs that a sheep or two was taken. Here is a letter from myself, No. 2, to the sub-collector and assistant magistrate of Ramnad:—

"SIR:

Jovis, 24^o die Martii 1831.

SIR HENRY PARNELL, BART. in the Chair.

PETER GORDON, Esq. again called in, and further examined :

24 March 1831.

P. Gordon, Esq.

2177. Do you wish to state any thing with respect to your last examination?—I beg leave to correct a statement I made concerning the authority given to the Company to coin. It was by the fourth charter, in the year 1677, the 28th of Charles the II^d; the Company were “authorized to coin money at Bombay, and other places, so that any of such coins be not called by the name of any current in the King’s dominion, excepting the East-Indies.” And the next charter on the same subject was the sixth charter granted to the Company, in the year 1686, the 2^d James the II^d: “the Company may also coin in their forts any species of money usually coined by the Princes of those countries, so that it be made agreeable to the standards of those Princes in weight and fineness, and so that they do not coin any European money;” “all such money shall be current in any place within the limits, but not elsewhere:” and Mr. Auber states, under Bombay, “there is one principal mint at the presidency, and several subordinate mints; but as such mints are not wholly under European superintendence, the coin issued from the former will be alone noticed:” also, “the whole of the accounts relating to the British possessions on the continent of India are kept in the same denomination of money, namely the rupee.” A question was put to me on my last examination, as to whether the coinage of India was ever in so good a state in former ages as it is at present; I replied with reference to the state of machinery, which is limited merely to the coin; if the question extends to currency, I consider that the currency has been in a much better state at former periods than it is at present.

2178. Are the promissory notes of Government carefully and skilfully executed?—They are not; they are very coarsely executed on thick paper, and with common letter-press

2179. Have they been fabricated with more care since the detection of certain forgeries?—It was understood that copper-plate notes had been prepared on fine paper, but I have seen none of them.

2180. Has convenience or inconvenience accrued to the commercial interest of India from the mode in which the Company’s debt has been heretofore managed?—Very great inconvenience.

2181. Will you describe it?—From the great fluctuations in the money market, occasionally advertising for payment as much as ten millions sterling,

28 Feb. 1831.

P. Gordon, Esq.

" SIR :

" Attancurry, 5th of July 1825.

" The bearers having applied to me for that protection which, to my certain knowledge, they actually require, I beg to recommend them to your attention. It is assumed they are slaves of the soil, and unable to follow their occupation of chank-diving where most profitable to them.

" I am, Sir, your most obedient servant,

" PETER GORDON."

The person to whom that was addressed was Mr. D. Bannerman, who has lately returned from England to India.

748. What was done in that case?—I have here his answer. Here is another letter, No. 3.

" To the Sub-Collector and Assistant Magistrate, Ramnad.

" SIR :

" Attancurry, 5th of July 1825.

" May I request your sanction to this notice.

" I am, Sir, your obedient servant,

" PETER GORDON."

" NOTICE.—Chank-divers are not slaves of the government or of the renter, but may live where they like, and follow other employments if they like.

" To P. Gordon, Esq. Attancurry."

749. Is that notice signed by you?—No; it is left in blank, with no signature to it. I wished the magistrate to sign it.

750. Is that the notice you sent to him in blank for his signature?—Yes.

751. Did he sign it?—Here is his reply.

" SIR :

" Mootoopettah, 7th of July 1825.

" I beg leave to inform you, that as cases may occur in which there are circumstances rendering it incumbent upon particular divers to attend particular chank fisheries, I do not consider the notice to which you request my sanction as entirely unobjectionable, and I must therefore decline authorizing it. It appears that the three persons whom you sent with your letter on the above subject belong to the Shevagunga district, and I have no authority to redress their grievances, supposing them to exist.

" I am, Sir, your most obedient servant,

" D. BANNERMAN, Sub-Collector.

752. Do you happen to know the particular circumstances of those three parties?—Yes, I do. Here is a continuation of the same subject.—Extract of No. 36.

" To the principal Collector of Madura.

" Attancurry, 2. th of July 1825.

" BUT strange as it must appear, these rapacious custom-house officers, aided by the police of the sea-coast department, and countenanced by the ameenas and talookdars, drive the chank-divers from the prolific Ramnad ports to the free ports of Shevagunga. It would be supposed that the divers would not require much driving, but would flock to Shevagunga. I am happy to say the contrary is the case, and that in spite of the activity of Nattacotty Chittie renters, and the terrors of the reigning zemindar, the perversion and the frequent defiance of authority intrusted to native servants of the government, and in the absence of all protection from the assistant magistrate of Ramnad when refugees within his district, the divers of Shevagunga continue to provoke the lash : some have come and settled at the Ramnad ports ; others come and dive

ling, this debt convulsed all the monied interests in Calcutta, by throwing that amount of money into a city that had no territory surrounding it. Of course the interest of money depends entirely upon the will of the Company, and at Madras every house a few years ago had failed, and they imputed their failure principally to the financial operations of the Company; every mercantile house of consequence had failed.

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2182. At what period was that?—Twenty years ago; there is scarcely a house now that has been established more than twenty years, at Madras.

2183. And you ascribe that to the great fluctuations?—It is so considered generally. There was one case in Calcutta of the house of Barretto, who were unwilling to comply with the Company's rate of interest, on the reduction from eight to six per cent.: in consequence they refused to accept six per cent. paper; and not having any place convenient for keeping so large a sum of money as half a million sterling, or perhaps a million sterling, as it was supposed belonged to them, they requested of the Governor to secure it for them, but the Governor General refused, and forced them to take to their own cellars any of the specie which they had refused to lend the Company at the reduced rate.

2184. By what principle is the interest of money generally controlled in any country?—Supply and demand.

2185. According to this principle, how is it in the power of the Company, or any individual, to regulate the general interest of money?—By throwing ten millions sterling at once into the circulation of a city, of course money becomes a drug, an encumbrance.

2186. What interest would the Company or any individual have in producing that state of things?—In the saving of interest which arises to the Company from the reduction in the rate of interest.

2187. Previous to the large expenditure occasioned by the Burmese war, could the Government of Bengal have reduced the interest of their debt below five per cent.?—It could, and a loan was actually opened at four per cent.

2188. What would have been the effect on the Calcutta market, reducing the interest to four per cent.?—A great deal of private distress, as respects persons who were dependent on annuities; it also affects the military and civil servants of the Company, whose emolument had been derived in a great measure from the high rate of Indian interest, reckoning on which they had provided, as they imagined, sufficient for their families, who are now reduced to a state of poverty by the reduction of interest from twelve per cent. and upwards, to four per cent. and under.

2189. Do you conceive that reduction of interest was warranted by the actual condition of the market or not?—It was not; for beyond the limits of Calcutta, among the natives generally, the interest of money is much higher.

dive at them, notwithstanding the terror of a flogging on their return home, where they are prepared to find that their wives have been troubled on account of their absence."

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Those three persons came to my district to work for me.

753. What were their names?—Their names are on record in this correspondence.

754. From whence did they come?—From the adjoining district. The magistrate mentions he is merely a magistrate of the kingdom of Ramnad, and Shevagunga is another kingdom, under the same principal collector, but not under the jurisdiction of the assistant magistrate.

755. Upon their coming to your district to fish, what took place?—Their trees were cut down, their wives were troubled, they were beaten on their return home; and not merely those three men; they came as the representatives of others; the whole of the villagers migrated into my service. The magistrate says, that they are natives of Shevagunga, and as they merely came into the Ramnad district, he has no authority over them.

756. How long did they remain with you?—They came whenever they possibly could.

757. Was this act of oppression constantly committed?—Here are numerous instances of divers of Tanjore also coming, and the renter interfering and desiring they may come back. The renter of Tanjore came with native servants of the government, taking away the divers, and flogging them, taking them back by force; whole villages. The collectors say, expressly, the people are not free people.

758. Are those divers under any engagement to those collectors?—No more than the other natives; they are forced to enter into any bonds, and they render any receipt they are called upon to do for property taken. If there is any complaint, they are called up to town, under the pretence of being paid for their sheep, and things taken away by force in the same manner. I know to a certainty, that the people are not voluntary debtors to the Company; advances are forced on them, or it is pretended that they have received advances, according to the same system as the soldiers are sometimes recruited in England, but with much more severity.

759. Do you know how those advances are forced upon them?—In any manner. If any witness will appear in court, and declare that the people have received advances, they are considered as the Company's ryots. The regulations are published.

760. Is there any regulation by which the Company are authorized to flog persons escaping under those circumstances?—Yes.

761. What is that regulation?—This is prior to the code of 1793, but adopted into that code: this is 1775, May 1st.

762. You wish to afford some explanation in respect to what you stated
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2190. In what way do you conceive that they had the power of making this violent reduction of interest?—By taking advantage of the moment.

2191. Do you know what the circumstances were under which they endeavoured to raise this loan at four cent.?—I am generally acquainted with the circumstances of the times, and with the operations which took place there.

2192. Did you mention the precise period of this circumstance?—1821 or 1822; the 1st of May 1822.

2193. In any case within your knowledge, in which the rate of interest has been reduced by these operations of the Company, has the rate of interest continued low, or risen again afterwards?—It has always fluctuated. At the Burmese war it immediately rose to five per cent. and upwards; I believe money was not procurable at five per cent., immediately after the declaration of the Burmese war; and Calcutta was exceedingly distressed, never more distressed for money than it was after the Burmese war. The reduction of interest caused a great deal of capital to be withdrawn from India, both to Europe and to the native states beyond the limits of Calcutta, perhaps beyond the Company's territory.

2194. Why was that capital not employed in the Company's territory?—When there was a high rate of interest, it was brought into the Company's territory for the sake of security; but when there was low interest arising from the war, not more than four or five per cent., they preferred having it in their own native territory, exposed to greater risk than in the Company's territories, but yielding ten or twelve per cent.

2195. Do the Committee understand the rate of interest in the province was lowered at the time it was in Calcutta?—I do not consider that the natural rate of interest was lowered among the natives, but merely the Company's rate of interest.

2196. What do you mean by natural interest?—The general interest among the native mercantile community; the agricultural and mercantile interest of the community.

2197. You mean by natural, the general?—The general, that which finds its own level.

2198. What is the present amount of the funded and floating debt of India?—Forty-two millions sterling.

2199. In your judgment, would any advantage accrue to the commercial interest of India, from the whole of the Indian debt being managed in England?—It would be a very great advantage to the commercial interest of India to be rid of so great a power over the currency of India.

2200. How do you imagine the Indian debt would be best managed in this country?—It would be better under any management in England than under its present management in India: it might be managed by the Company,

28 Feb. 1831. upon the exportation of raw silk from Bengal to Madras?—Yes, concerning the duties.

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763. State what explanation you wish to make?—On reference to the printed tariff, I find, if exported in a foreign bottom, the duty at Madras would be sixteen per cent., instead of eight per cent., the total amount of duty would be thirty-one per cent.

764. How does that make thirty-one per cent.?—Seven and a half inland transit duty to Calcutta, seven and a half exportation in a foreign bottom from Calcutta, and sixteen per cent. import duty at Madras, making thirty-one per cent. passing from one British town to another.

765. Do you mean to say that this silk, when it shall arrive at Madras, will be liable to another sixteen per cent.?—Yes; sixteen per cent. duty, the same as if it had arrived from any other territory than British. I was also questioned respecting the imports and exports of Calcutta. I beg to lay before the Committee this document, up to the 30th of April 1830, which is the latest in this country, and another also by Doctor Wilson, from 1814 until 1828.

766. Supposing silk imported into Madras in a foreign ship, is it liable to sixteen per cent.?—Yes, in a foreign vessel; an Arab vessel is a foreign vessel.

767. What would it pay if imported in an English ship?—Eight per cent.

768. Would there be any duty upon its export from Calcutta in a British ship?—None.

769. There would be only the transit duty payable inland?—Yes; and if exported to the United Kingdom there would be a drawback of two-thirds of the duty; if exported to the United States, a drawback of one-third of the duty; but if exported to the presidency of Madras in a foreign bottom, seven and a half per cent. sea export duty; therefore Madras is on a less favourable footing than foreign Europe and the United States.

770. Supposing silk sent from the Bengal presidency to Madras in a British ship, it would be liable to seven and a half per cent. transit duty, and eight per cent. import duty?—Yes; fifteen and a half per cent. is the gross duty upon a British ship.

771. Would any part of the duty be drawn back on the export of this silk from Madras?—None, only on exportation to the United Kingdom or to foreign Europe, and now within a few months, the empire of Brazil; but no drawback on re-export to any port of British India or foreign Asia.

772. Those duties are all prescribed by the printed regulations of the government?—Yes, by the local governments.

773. Are those duties consistent with the regulations published at Madras?—Those which I state are consistent.

774. Are

pany at their house in Leadenhall-street, by the Bank of England, or by the King. In either case it might be managed with greater economy, and the rate of interest would be lower on a debt in England than it is on the debt in India.

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2201. What annual saving do you consider would arise from the debt being transferred to the management of England?—If the debt was reduced from five per cent. to four cent., I believe the saving would be about half a million sterling.

2202. State in what way the transfer of debt from India to England could be effected in the first place?—By opening a loan in London, and offering payment of the debt according to the terms on which it was contracted, whether in coin in Calcutta, or by bills on London, according to the terms of the existing debt.

2203. Is the interest on this debt paid chiefly in Calcutta at the present moment?—The greater part of it is optional, on demand in Calcutta in the sicca rupee, or in London by the pound sterling.

2204. Do you know what proportion is paid in England, and what proportion is paid in India?—The proportion fluctuates according to the fluctuations in the exchange; at present it is advantageous, and consequently the greater part of the interest is paid in London.

2205. You conceive a loan might be effected by the East-India Company in this country, by which the debt would be transferred from India to England?—Undoubtedly.

2206. How would you contemplate the payment of the dividends which were to be paid in Calcutta?—By transferring the debt to London, I consider that the dividends would be payable in London only.

2207. Must you not transfer the capital from India to London in that case?—No; the capital has been expended, it does not exist.

2208. Do you conceive the measure of transferring the Indian debt to England would tend to strengthen or weaken the connection between England and India?—Undoubtedly it would strengthen the connection, as every other measure of good government would strengthen it: the connection can only be supported by good government, or by absolute force.

2209. Would not great inconvenience accrue by such a measure to the native subscribers to the Indian debt?—None whatever; they would have an offer of the money which they had subscribed, on the terms on which they subscribed it, or else a share of the debt in London, which they could sell in the market at the current rate of the day.

2210. Is the amount of the native subscriptions to the Indian loan large?—Several investigations have taken place, and each successive investigation seems to have reduced the number of native subscribers. I have heard the proportion stated as low as one-tenth of the debt being held by natives.

2211. Has

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774. Are you aware whether any estates are held in property, or on long leases, by British subjects in the Madras presidency?—None.

775. By law, can they or not be held?—They cannot be held by law.

776. Do you know any instance in which they are so held?—Merely houses, but not landed property to any extent. On the Malabar coast, in the Travancore district, there are estates held, but not under the Company's government: Messrs. Beaufort and Huxom hold estates under the fiction of the rane of Travancore, but actually under the Company.

777. Supposing powers were given to Europeans to hold lands under the Madras presidency, would capital be invested in the cultivation of the soil, under the existing revenue regulations?—It would not, under the existing revenue system; capital has no more business at Madras than it has at Morocco.

778. Does that arise from the weight of the taxation, or the mode in which the taxes are levied?—From being collected without law, or against law, at the will of the collectors.

779. By the collectors, do you mean the natives?—Natives and Europeans together, supported by the whole military force of the Company, or indeed of England, army and navy. Here is a very recent instance, in the recollection of every gentleman acquainted with Indian affairs, mentioned by Mr. Peter, in his correspondence with me, when Mr. Thackeray was killed in attempting to collect the revenues, with one or two other civilians and some military officers, as late as 1825; he was killed at a fort, attempting to assume it, as his brother calls it in a diary I have here of his, and his hand was nailed on the door of the fort. It had been his boast that his hand had never been raised to his head as returning the salute of any native; that has appeared in the public papers.

780. You were acquainted with the island of Ceylon?—Yes.

781. Did the government of Ceylon encourage or discourage European colonization?—They encourage it to the utmost; and they have recently published regulations, offering land for the cultivation of different articles, declaring that these articles shall be held for ever free from duty.

782. Has that been attended with a considerable increase of colonization in Ceylon?—It has not.

783. Can you state why it has not?—These regulations are very recent, and the government of Ceylon, in common with the Company, sanctions transmission and imprisonment without *habeas corpus*.

784. That, you think, is a bar to the settlement of Europeans?—Yes, a material bar.

785. Are you acquainted with the French presidency at Pondicherry?—I am well acquainted with the whole of Pondicherry, and the district of Karical. There are upwards of two hundred villages in a much better state than the neighbouring English villages, especially the roads and public works.

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786. Are

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2211. Has the great abundance of money which has flowed to India in consequence of the free trade conducted in any respect to afford facility to the East-India Company, in the financial operations of reducing the interest on their loan?—Every increase of trade and of prosperity of course renders it easier to borrow money; the greater the capital in the country is, I should suppose the easier it is to borrow money.

2212. In the event of the Company being deprived of the trade to India, in what manner do you conceive remittances could be made by the Indian Government to India for the payment of the Indian debt, for political purposes?—By bills of exchange.

2213. Would that be more advantageous than the present mode of remittance in produce?—Undoubtedly the private trade is managed more advantageously than the Company's own commerce.

2214. Upon what foundation would these bills of exchange rest, and how could an additional quantity be obtained, seeing that from the present state of the trade, the demand for bills of exchange upon England has altered the rate of exchange unfavourably to India?—The ground on which the Company at present takes bills of exchange, is goods actually shipped, two-thirds of their value; the amount of these bills of exchange could be augmented by altering the rate of exchange which they demand at present, from twenty-three pence to a lower rate, according to circumstances, and relaxing in their other regulations concerning these bills, which are granted only on goods to the port of London, I believe warehoused with the Company.

2215. Does not the rate of exchange betwixt India and Europe depend on the general demand for bills in India upon Europe, and not upon any particular regulations of the East-India Company, or any other individuals whatever?—It does, and private bills find those rates; but the Company fixes its own rate at twenty-three pence, and will not deviate from it. If the Company put up their bills to auction, then the Company's bills would find their natural rate, as His Majesty's bills do at the various colonies, the Cape of Good Hope, the Isle of France, and New South Wales.

2216. Is that a fixed rate of the Company?—In 1814, immediately on the present charter being granted, the Court of Directors sent out instructions to their Government in India to grant bills of exchange to private merchants, taking security on goods: this order was not complied with by the local Government until last year by Lord William Bentinck.

2217. If it was the case, by the transference of the Indian debt to England, that the demand for bills in India upon England was augmented two millions per annum, would not that of necessity produce *pro tanto* an effect on the exchange?—Every bill brought into the market in its degree produces an effect on the exchange; but I consider that the present remittance of tribute from India to England is two millions sterling actually, public and private tribute.

2218. In

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786. Are Europeans permitted to hold lands there?—Yes, they are encouraged by every inducement possible. There was a proclamation lately by the French government, holding out premiums for the cultivation of certain valuable products.

787. What has been the result of that system?—The French, and indeed all the foreign European territories, are in a much better state than the English territory; any person acquainted with the country, set down in it at night, could declare immediately whether it was the Company's territory or not.

788. What extent of territory do the French possess round Pondicherry?—It may be fifteen miles in circuit, not more.

789. Has it been considerably improved since the repossession of it by the French?—Considerably; there was a great number of coolies employed, when I last passed it, in making an agreeable walk by the sea-side.

790. Are you aware of any possession by the Danes or Portuguese?—I am acquainted with Tranquebar, Goa, and Sadras, a Dutch possession.

791. What is their policy with respect to permission to Europeans to hold lands?—There is encouragement to Europeans; a regular system of legislation, an exact administration of justice, the same as in towns in Europe. One of the courts of Pondicherry contains a dozen members, and there are several other courts, and the police is vigilantly administered, and vigilantly superintended.

792. Are there many opulent native families resident in the province of Madura?—If any, they are very few. There is the Marea of Keelakurray, who is reputed rich, the zemindar of Shevagunga has extensive lands under his management, and many of the Nattacotty Chittie merchants have the command of immense funds; but no class can be considered at all rich, excepting the officers in the immediate and actual service of the Company, and as soon as they are dead or lose their situations, their property is very soon spoiled.

793. In what way spoiled?—By the officers of the government. Wherever money is known to exist in the territory it is taken away.

794. By whom?—Whoever has money that is not actually employed in trade, it is taken away by the servants of the Company, by the revenue police of the country.

795. In what way?—Whoever has money keeps it buried in the interior of the house, and if there is a suspicion of this, he is seized, laid hold of and tortured, lifted from the ground by his mustachios, between two peons.

796. Do you know any instance in which this torture has been exhibited?—I know many instances in which the kittee torture has been applied. In this official correspondence are two or three particular cases, one of which strikes my memory. I think it was one of the three men, whose case I referred to the magistrate; I observed him with a finger double the usual thickness, when

2218. In what way is a bill of exchange bought in India?—The Company advance to the merchant coin, with which the merchant purchases a cargo, and grants to the Company bills of exchange, payable in London, on the security of this cargo, with the bill of lading. 24 March 1831.
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2219. The transaction is a transaction of coin in India against coin in England?—Coin in India against coin in England. In India the Company lends coin to the merchant, and in London the merchant repays coin to the Company.

2220. And then the coin of each country being of a fixed standard, under the circumstances of the free trade, will not any demand of bills of exchange come to settle themselves finally at a regular steady rate?—Undoubtedly, among private merchants; but when the Company says it will grant bills of exchange at a fixed rate, and at no other rate, of course that rate does not alter.

2221. And whatever would be the necessity, under circumstances, of making large pecuniary remittances, would not it be practicable at all times to obtain bills of exchange finally at regular and steady rates?—It would be practicable, but not if the rate was determined by one party: if the bills were put up to auction, as by His Majesty in his colonies, they would find their natural rate.

2222. And would not that, after a new system of remittance had been introduced and established, become a steady rate?—Undoubtedly.

2223. Is the basis of all bills of exchange from one country to the other, the produce of the country remitted from one country to the other?—The produce and goods which are obtainable in the country.

2224. Has not the rate of exchange a direct reference to the amount of the metal and the fineness of the coin in which that exchange is calculated?—Undoubtedly.

2225. Then when the exchange is low, metallic money flows from India, and supplies the place of bills of exchange?—The direction in which metallic money flows is influenced by the rate of exchange.

2226. Is not the rate of exchange then influenced by the remittances in metallic money?—I consider that the remittance is influenced by the rate of exchange; one influences the other; if the one country is full of money, it overflows to another country: the one rate is fixed, the other rate is variable.

2227. Does not the remittance of metallic money from one country to another operate on exchange precisely in the same manner as the remittance or shipment of any other commodity; and, in that view, is not metallic money a commodity, and nothing else?—Metallic money I consider as a commodity, and nothing else.

2228. What is the effect of the purchase of the Company's investment in India

when standing at a distance away from me, and upon inquiry as to what it was, I found it had been injured by the kittee. The kittee consists of two pieces of stick, like a vice, tied together at its end; it is jammed, and the foot stamped on it.

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797. By whose order is it inflicted?—At the discretion of every revenue police peon throughout the country; 100,000 persons, as Sir Thomas Munro has estimated. Sir Thomas Munro has stood by, by common report, and seen this kittee inflicted; he must have seen it. This person whose finger struck me I sent to the magistrate Mr. Nelson, requesting him to investigate it; from the native, I afterwards understood, that he had been sent, not by Mr. Bannerman, but by order of the principal magistrate to a native officer, and fined again. It may be necessary to state that he had been thumb-screwed for having worked for me, though he was one of my own chank divers. At the same time, three whole villages I understood to be thumb-screwed; but here is a positive instance, which came under my own inspection. I referred him to Mr. Nelson, the European magistrate, and he was not allowed to examine it; the sufferer was sent to the native officer.

798. Did you make any representation to the government upon this particular case?—The magistrate was the government; it was under the presidency of Madras; he was the only magistrate in the district.

799. Did you appeal from that magistrate to the government of Madras?—I do not know whether I did or not. Here is every representation I have ever made to the authorities of Madras.

800. At the time that this occurred, did you make any representation to the government of Madras upon that particular point?—I cannot recollect, it is several years ago, without going into these documents. Here is every representation I ever made to the government of Madras, and the answers I received; that is, copies of them. Here is the general representation of the subject to Sir Thomas Munro, which caused, I believe, his journey into the district:

No. 1.—“To the Honourable the Governor General in Council, Port St. George.

“Rammad, 20th May 1826.

Extract.—“Further, though at the risk of transmission, which is equal to death, the general state of this zillah loudly calls for investigation. I know but little of it; but do not hesitate to say, that it is not governed according to law in those few points that have been regulated by law; it groans under the most degrading despotism; entirely in the hands of natives, unchecked, without responsibility, but supported with irresistible force.

“I have the honour to be, &c.”

Immediately after Sir Thomas Munro came into the Madura district, I expected a full investigation, and accordingly requested the collector to lay before the governor the following charges, contained in letter No. 149. Sir Thomas Munro did not investigate the state of the district; he returned again to Madras, where I again addressed him.

24 March 1831. *P. Gordon, Esq.* India for remittance to Europe, on the state of the Indian market?—There have been frequent examples of the immediate rise of an article in which the Company began to trade; for instance, cotton ran up very high indeed a few years since, when the Company began to remit it to Europe from Calcutta; other articles of course are affected in the same manner. At Madras the merchants were complaining extremely that after they had been at the trouble of introducing indigo, and promoting the cultivation of it, as soon as it became of the slightest importance whatever, the Company interfered in the purchase of it, depriving the agency houses of their usual channel of remittance to this country.

2229. Supposing a similar amount of articles sent from India to England by the free trader, would the effect you have described in the market have been produced?—Certainly not: their agents would have been distributed throughout the country, instead of the Company's agents at one or two fixed stations, who were obliged to buy a certain quantity of cotton, whatever the price was, to complete the investment: the free traders would have been scattered over a greater extent of country, and when they found one article rising, they would have directed their attention to other articles, which it was not in the power of the Company's residents to do; they were acting under express directions.

2230. Would not their transactions also have been spread over a larger period?—They could have delayed their remittances until the next season.

2231. What effect on the Indian market has the knowledge that the Company's agents are purchasing for remittance to Europe?—Of course it is expected that the article will rise in the Indian market, and that it also may be lowered unnaturally in the London market.

2232. What is the condition of the Indian weavers and persons connected with the culture and preparation of raw silk for the Company?—I have not a personal knowledge on the subject, but of course I know it from official papers which I have seen on the subject; I know their condition to be that of persons constantly in debt, under advances to the Company, and that it is the system of the Company to keep them in that situation.

2233. What manufactures of European machinery have been introduced into India by British-born subjects of late years?—Several steam-engines have been introduced for pumping out docks, making and pressing paper, watering the roads, boring cannon, coining money, grinding flour, and spinning and weaving, and printing of cotton.

2234. Into what parts of India have these been introduced?—Bengal almost exclusively, and especially the neighbourhood of Calcutta: also steam-vessels have been introduced.

2235. What kind of paper is manufactured?—Very coarse, very indifferent and inferior.

2236. Is that in the hands of natives or of Europeans?—The Baptists' Missionary

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No. 4.—“To the Honourable the Governor General in Council, Fort St. George.

“ Sir:

“ Ramnad, 24 Sept. 1826.

“ I beg leave to state that the native inhabitants are subjected to the kittee and other tortures ; that those tortures are frequently wantonly and unjustly applied ; that they are applied at the discretion of the peons ; that they are applied to collect revenue, to extort money, and that in June 1824, at Madura cutchery, I saw near one hundred village accountants in a painful posture.

“ I have the honour to be, &c.

“ PETER GORDON.”

801. Did you get any answer to that letter?—None ; it is not the custom of the Madras government to answer complaints.

802. You are generally acquainted with the Madras territory?—With the southern part of it I am.

803. State the condition of the roads and bridges in that country?—It may be said there are none whatever ; none exist beyond the jurisdiction of the supreme court at Madras, or the town of Madras.

804. How are the rivers generally passed?—On rude rafts of split bamboo and earthen pots, which are continually sinking, and sometimes by swimming across in an earthen pot.

805. Are there any very extensive works for irrigation you are acquainted with?—None particularly deserving notice. The whole system of cultivation is by irrigation ; but there is no work deserving particular notice.

806. Do you know at all what is expended by the Madras presidency in keeping those works in repair for irrigation?—The Board of Revenue is reported to have expended the *enormous* sum of £60,000 a year on an average of ten years for the whole territory.

807. Is there not a great tank for the irrigation of Ramnad?—There is a large tank.

808. In what state is it?—As rude as possible ; a slovenly dam of mud across a torrent.

809. Is that an ancient or a modern construction?—Very ancient.

810. Is there one at Madura?—There is a fine tank outside the city gate ; a teppacolom.

811. In what state of repair is it?—It is so substantially built, that it does not require repair ; it is a work of native construction.

812. You stated you were some time resident at Saugur Island?—For three months I was.

813. Can you give any account of the quantity of land under cultivation there?—Yes, I can, by referring to memorandums published in the Calcutta papers. “ Saugur Island.—The islets of Saugur are dreadfully unwholesome ; the stream of coffee-coloured water by which the ship is surrounded sufficiently indicates by its tint the inundations that have supplied it.” “ A few Europeans who live in Meerzapore, a suburb of Calcutta, suffer greatly from

Missionary paper factory at Serampore is the only one, I believe; I am not aware of any other. 24 March 1831.

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2237. Are the flour-mills on an extensive scale, and are they a profitable concern?—They are the most extensive mills known, upwards of twenty pair of large stones; it is a new undertaking, like most other new undertakings considered not a profitable concern.

2238. Do you allude to that at Calcutta?—Yes, Calcutta; the only flour-mill is set up at Calcutta.

2239. Has the machinery for spinning cotton answered?—It has scarcely commenced its operations.

2240. Was it considered likely, by intelligent persons, to answer?—Lookers-on, of course, considered that the prospect was not promising.

2241. Is not the scarcity of fuel and the absence of falls of water, in the most populous parts of India, a serious obstacle to the establishment of extensive manufactories and of industry in that country?—It is in many parts of the country, especially in the Carnatic, where there is neither water nor fuel which can be made use of for the purpose of machinery; however it does not require many favourable stations to supply a large extent of country.

2242. What are the daily wages of a Hindoo, Chinese, and European artisan at Calcutta?—A Hindoo carpenter may be considered at 6*d.* per day, the Chinese at 2*s.*, and the European, the lowest superintendent of carpenters, at 6*s.* a day.

2243. According to this statement, the labour of a Chinese is equal to that of four natives of Bengal?—It is.

2244. And the combined skill and inspection of an European equal to twelve natives of Bengal?—Yes.

2245. Judging from that data, do you not conceive the fixed price of labour in India is not low, but in reality high?—It is generally considered high in most branches; for instance, cabinet makers for many years were accustomed to fix their prices by the London prices, substituting the rupee for a shilling; if the price of making a chair in London was 5*s.*, they paid in Calcutta five rupees.

2246. The rupee being of what value at that moment?—Two shillings.

2247. Was it then actually worth 2*s.*?—It was then 2*s.* 6*d.*, and even 2*s.* 10*d.*

2248. What is the proportion, in respect of skill and labour, between an Indian and an English seaman?—In India, two lascars may be considered equal to an European; but of course in a cold climate the lascar becomes of no value.

2249. In the case of seamen, the proportion is less than in the case of other labourers; can you state the reason of that?—There is an advantage
2 D
in

from climate. My sircar said he never went near the bad water that flows up the salt water lake to Entallee, without sickness and head-ache."—*Heber.* 28 Feb. 1831.
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814. Is Saugur Island at the present moment wholesome or unwholesome?—The climate of Saugur I am not inclined to consider worse than other parts of the unbounded shores of the Hoogly, below Calcutta.

815. Was not it considered, before the clearing of the jungle, an unwholesome spot?—It was.

816. What sum of money has been expended upon it by private individuals?—Ten lacks of rupees.

817. Do you consider the soil of Saugur islands generally fertile or not?—The soil is the richest loam to the depth of twenty feet, of inexhaustible fertility, requiring sand as much as any other manure, and retaining the water in tanks, which are formed cheap enough to be available for watering the general crops, and exposed only to evaporation and extraordinary floods: even there, floods may be guarded against by extraordinary high bounds.

818. Do you know, with respect to cotton, what sort of cotton is cultivated in that part of India you are acquainted with; is it of good quality?—That of the Company's territory, it is the worst quality that comes into the British market.

819. Have the Company taken any steps to improve it?—The cotton produced in the islands of Seychelles and Bourbon is the finest cotton in the world.

820. Have the Company taken, to your knowledge, any means to improve the cultivation of cotton?—Very trifling, scarcely worth mentioning. They have had a few bales of seed brought to Tinnevely, and machinery sent lately to Bombay.

821. What have been the results of their attempts to improve the cotton?—It is at present the worst cotton grown in any part of the world, like every other Indian product.

822. Are there any plantations under their own immediate management?—None, that I am aware of.

823. Is not the machinery by which the cotton is now cleaned of a very inferior description in India?—Very inferior.

824. Can you describe what it is?—It is a small machine that costs sixpence, and cleans it very rudely indeed, turned by the hand, and with a very great loss of labour; it requires no strength, but occupies the whole of the time of one person; it is the common Bengal gin.

825. Does it clean it thoroughly?—No, it requires to be cleansed by a bow-string, which breaks it to pieces.

826. Have you seen the machinery now used in America?—Yes; I saw a gin sent by Mr. Piddington to Saugur Island.

827. Does

24 March 1831. in division ; two lascars can be keeping watch much easier than one seaman can, and doing many small jobs ; there are not many jobs on board a ship that require main strength.
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2250. What is the condition of an Indian ship without European officers ?
 —As slovenly and dirty and ill managed as possible.

2251. Are the natives of India ever employed as steersmen or quarter-masters in ships navigated by Indian seamen?—The Christian natives of Manilla are especially employed as steersmen, native Portuguese also ; but Mussulman lascars are not employed in that line.

2252. What branches of industry, manufacture or otherwise, do you consider most natural to India in its present condition?—Agricultural.

2253. Has not rice been exported from India to England in the husk, of late years, in considerable quantities?—It has ; in 1829 it had amounted to 1,000 tons, in consequence of being better cleaned in this country by machinery than by manual labour in India.

2254. Do you know the freight that rice pays in the husk, in comparison to clean rice?—Double that of clean rice.

2255. Does it occupy double the space?—It occupies double the space.

2256. Is not iron ore abundant in many parts of India?—I understand that in 1808 the Company sent out Mr. Duncan, who had been in Russia, and acquainted with iron works in that country, to examine the situation of the iron ore in India ; he established a factory under the protection of the Company, at Cossimbuzar, but I believe at his death it came to nothing. I know that iron ore is abundant in most parts of India ; it is worked by the natives, especially at Salem.

2257. Do you happen to know whether the iron ore is found in conjunction with coal in India?—Except from Mr. Bracker, I never heard of that coincidence.

2258. What is the quality and price of Indian iron compared with British iron or Swedish?—At Ramnad it is sold at a higher price than British or Swedish iron ; it is more pliable, but I understand there is a great waste in the working of it, which renders it pliable and adapted to many purposes for the natives, but it is expensive.

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827. Does that do its work effectually?—It was not at work, but it is a better machine than the others are. In Bengal I have seen models of mills and other gins, that save an immense deal of labour.

828. What would be the cost of that machine in fitting it up?—A very few pounds; five pounds at the utmost.

829. Have not the natives a great prejudice against using any of that machinery?—None that I am aware of, not even for grinding their own flour. At present the Hindoos buy flour from the strand mills in Calcutta, where it is ground by steam machinery.

830. What is produced on the estate you have mentioned as belonging to Messrs. Beaufort and Company, at Travancore?—The first object was the naturalization and cultivation of cinnamon: they procured seeds and plants from the island of Ceylon, and engaged cinnamon cultivators.

831. Has it succeeded?—It has only been a few years in progress, and I have not heard of it for the last three years.

832. Do they grow pepper?—I cannot say, particularly. I am aware they have tried every thing that held out the chance of cultivation; they sent; to me respecting chaya root and cotton.

833. That estate is considered to have succeeded as far as it has gone?—I cannot say; it is a large estate, and not improved. It being under the native government, they have no certain tenure; they are assured that the taxes and rent shall not be raised; but whenever the Raneé pleases to change her mind, or is persuaded by any of her allies to do so, they may be assessed without any appeal. The existence of their property depends upon the will of the Company's resident at Travancore.

834. Who is the Raneé's dewan at present?—I do not know. The resident was a military officer, lately appointed.

835. Is not the quality of the cotton of Tinnevely remarkably good?—Compared with other Indian cottons, it is the best, except Seychelles and Bourbon.

836. Does not it admit of very extensive cultivation?—I believe it can be extended considerably, and improved considerably. There is a positive proof that the general quality of the Tinnevely cotton can be improved; that which is cultivated by Mr. Hughes on his own land is better than the rest.

837. Do you know the price it sells for here?—No, I cannot speak to that rightly; it has varied of late.

838. Do you know it has been sold as high as 1s, whereas other Indian cottons are selling as low as 4d. or 5d.?—I do not know that, but I have always understood it fetched a much better price. It is prepared under his own inspection and daily observation of the cleaning of it, and is sent to his agent in London.

Jovis, 14^o die Aprilis, 1831.

SIR JAMES MACDONALD, Bart. in the Chair.

WILLIAM WILDEY, Esq. called in, and examined.

2259. You are Captain and Paymaster in His Majesty's army?—I am.

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2260. Have you served in the East-Indies?—I have.

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2261. In what part?—Ceylon, Madras, Bombay, the Deccan, and Cutch, are the principal parts of India I have served in. I have visited Calcutta, and most of the foreign stations of India.

2262. When did you go to India first, and when did you return?—I went to India first in 1804; I have been three times to India, serving in different regiments, and the last time I returned from that country was in 1827.

2263. Have you made the country of Cutch the object of study with reference to its soil and productions?—I have.

2264. What has been the nature of your researches?—Principally the ores of Cutch, and the coal-mine; I think in most parts of Cutch coal would be found in abundance.

2265. How is it situated?—The mine which has been worked by the order of the Bombay Government is situated about three miles from Bhooj, on the banks of a ravine; it has not been worked to any extent in consequence of our force being removed from that country.

2266. Have you made any experiments on the Cutch coal?—I have made several experiments.

2267. What was the result?—I found them satisfactory beyond my most sanguine hopes.

2268. As compared with what?—As compared with English coal. There is a coal in Bengal called the Burdwan coal, but I never had an opportunity of comparing it with that coal.

2269. How is it as compared with English coal?—It ignites quicker, and from the superior quality of the gas it contains I considered that it would answer for steam-machinery better than what is generally used in this country, and in India. In fact, its bitumen is so pure that it would not incrust the flues of the steam-engines like British coal: it burns to a white ash like the Kennet coal.

2270. Is it of rapid combustion?—It is rather so, but not so rapid as to exhaust itself in a very short space of time.

2271. Have you brought any samples of it with you?—I have.

839. How long did you reside in India?—In 1810 I first proceeded there. 28 Feb. 1831.

840. Did any of your relations reside there at that time?—They did ; I went out in company with a cousin. *P. Gordon, Esq.*

841. Your father?—My father had been in India before me ; he died in 1805.

842. Some of your brothers were resident there?—Not at that time. A cousin was resident there, with whom I went out in the same ship ; he went out with my father, and was several years sailing about with my father.

843. Did you go out with a license from the Company, or by an invitation from your father?—My father was dead.

844. You had a license from the Company?—No, I had not ; I never had a license. One was offered to me by Lestock Wilson, Esq. member of a house in the Old Jewry ; but I was told in the same breath (I believe the gentleman was a Director at that time) that it was not at all necessary. I never found it necessary, and was never asked for it during twenty years I have navigated in India.

845. You went out as a mariner?—I went as fourth mate of the Fort William.

846. How many years did you exercise the profession of mariner exclusively, without any commercial pursuit?—Until I entered into contracts with the Company's government at Madras.

847. Were you then trading on your own account, or as the agent of other parties?—Joint account ; partner with the house of Scott and Co. of Calcutta, as far as regarded the transactions under my own management.

848. That was the commencement of your commercial life?—No ; a mariner or a mate of a ship is generally concerned more or less in trade ; and before that I had owned part of a vessel and cargo in the trade of Calcutta.

849. Your first contract with government was in 1824?—The first contract I remember forming was in 1824. In 1823 I had charge of the contracts that were formed ; the correspondence begins with Rous Peter, Esq. collector of Ramnad, under the date of 29th May 1823.

850. Your lease was merely that of the chank fishery?—I had leases of the chank fishery and of the chaya-root farms of Ramnad, and of the Tinnevely chank fishery.

851. Immediately, or very soon after you went to reside at Ramnad, you were engaged in a correspondence with the collector?—Immediately I went to reside at Ramnad I was engaged in a correspondence with the collector of the Madura zillah.

852. That correspondence was conducted in a respectful manner on your part, and civilly upon his part, was not it?—Here is the whole correspondence, every letter that ever passed between us or any of the authorities of Madras.

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2272. Has it been used in the public works at Bombay?—It has never been used in any of the public works of Bombay, but an experiment has been made on it.

2273. At what distance is it from Bombay?—Cutch is about three degrees by sea from Bombay; Bhooj, where the mine is, about thirty miles from the sea.

2274. Is there any water-carriage?—It could be brought by water probably during the monsoon, because at that period the river would be more navigable.

2275. What is the latitude and longitude of Bhooj?—The latitude about 32°, and the longitude about 69°. It is bounded by the Indus on the north-west, and the Gulph of Cutch on the south-east.

2276. Have you made any report of the result of your researches to the Bombay Government?—I made a report to the Bombay Government in the year 1826.

2277. Have you a copy of that report?—I have (*producing the same*). The report was founded upon a communication I made to the Chief Secretary, Mr. Newnham, in consequence of which I was desired to make a report to the Government by the request of Mr. Elphinstone, the then governor of that Presidency. Mr. Newnham's letter bearing date the 18th of May 1826. I shortly afterwards received a communication dated from Bombay Castle, communicating to me the Governor in Council's thanks for the report I forwarded to the Government upon the coal mine.

2278. Did you hear any thing further upon that subject from the Bombay Government?—Nothing further.

2279. Had you any communication with the Court of Directors after you returned?—None whatever. I made a private communication to one or two of the Directors, but no public communication to the East-India Company. I received a private letter from Mr. Henry Alexander, one of the Directors, stating it as his opinion, that unless it had been strongly recommended by the Bombay Government, the Company would not work the mine.

2280. Was your attention drawn to any other productions of Cutch?—Of iron ore, particularly copper, sulphur, towards the alum which is made in Cutch in considerable quantities, and also the wool of the Cutch sheep, which is particularly long in staple, though not fine; it is principally exported to Persia to make carpets with.

2281. Of what quality is the iron?—Extremely fine; I have made experiments on it in this country, and found its ore to possess about twenty-two per cent. of iron. It has been assayed in London: here is the proof from the Assay-office, which bears out my experiments.

2282. What proportion does that bear to common iron ore?—I should think from ten to twelve per cent. more than common iron ore. The ore of Cutch is found mostly upon the surface; the natives gather it in baskets and throw

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853. Did you complain of any exaction of duty on his part?—Frequently I complained of exactions of duties.

854. What answers did you receive to those complaints?—They are contained in these documents.

855. What answers were they?—Various; they are contained here.

856. Were they satisfactory, or otherwise?—Always very unsatisfactory, totally unsatisfactory.

857. On what ground did you consider them unsatisfactory?—My opinions of them are stated in these documents, to which I beg to refer.

858. Did he not state the authority upon which all his exactions were made?—He did not.

859. In no instance?—In few, if any instances; I do not remember any specific instance in which he did. Those bills that were paid, those demands that were complied with, there of course I admitted the authority.

860. Did he ever charge you with having removed any of those articles without paying the duty which you were bound to pay?—He did.

861. He charged you with the offence commonly known by the name of smuggling?—No, not that I am aware of.

862. Were your goods seized at any time?—Frequently.

863. On the ground of your having evaded the duties?—And several parcels yet continue under seizure.

864. Upon the ground of your having evaded the duty?—The whole correspondence is here contained.]

865. Was that the ground?—No; that I would not pay the duties, but not evading the duties. I had sent on different routes waggon loads and cargoes of goods, and I would not pay the duties that were perfectly illegal.

866. On what ground did you resist the payment?—On various grounds, according to the circumstances, because the demands were illegal and against law.

867. That he had no right to exact any duty, or that it was a surcharge?—This is the first reference I made to the government of Madras (Letter No. 1, to the Secretary of the Board of Revenue, Fort St. George, dated Ramnad, 23d May 1825); the local correspondence had been going on some time.

868. Did you resist the payment of the duty because it was illegal and unauthorized, or because of the rate of duty?—The great cause of complaint was, the law says, "No duty shall be received except at the established choukies;" but at other places, unauthorized choukies, duties were demanded.

869. What law do you refer to?—The Madras government regulations of 1812.

870. Did you, or did you not, on any occasion in 1826, remove a quantity of

throw it into the furnace ; it runs out shortly afterwards in a liquid state ; furnaces are working night and day ; they cast cannon in Cutch. 14 April 1831.

2283. What fuel do they use?—Mostly charcoal ; though they must have abundance of coal they are wholly unacquainted with its use. *W. Wildey, Esq.*

2284. Do you know the quality of the Swedish ore?—Not in the form of ore, but I have seen Swedish iron in this country.

2285. Can you make steel of the Cutch ore?—Yes : steel is made in Cutch : it is the finest steel probably in India. In fact, the natives of Cutch make steel chain armour, sabres, pikes, and various sharp-edged tools ; they are the best blacksmiths in Asia ; their horseshoes are particularly fine, the iron being more malleable and soft, and not so likely to break. I have heard the veterinary surgeon of the 4th Dragoons say that they are the finest shoes he ever saw, and far preferable to those made in England.

2286. You belonged to the 4th Dragoons in India, did you not?—I did.

2287. Do you suppose that if encouragement were given by the government the coal-mines and iron-mines might be wrought with great advantage?—I have no doubt about it.

2288. Would there be any difficulty in obtaining permission of the Cutch Government?—I am not aware of that. The country is under a regency, consisting, I believe, of Major Pottinger, Mr. Walter, and a native ; how far permission would be given to Europeans to locate in Cutch I know not.

2289. Was there any difficulty contemplated in that quarter?—None that I am aware of, as I made no application to the regency.

2290. You have mentioned a letter which you received from Mr. Newnham, and a report which you made in consequence to the Bombay government ; will you have the goodness to read them ?

[*The witness read the same, as follows :*]

Extract of a Letter from Mr. Chief Secretary Newnham to Captain Wildey , dated Bombay, 18th May, 1826.

My Dear Sir :

A pressure of other matter has prevented an earlier acknowledgment of your letter, which, with the sample of coal, came at a very auspicious moment ; just as orders were received from the Court of Directors in England, desiring that the sources of coal in this country might be examined, to know the extent in which they might be depended upon for steam navigation. I lost no time therefore in laying your letter and specimens *privately* before the board at the first meeting of council ; and they were looked upon with as much interest as is usually done by people not conversant with the arcana of such matters. Mr. Elphinstone desired me, however, to say, that any report which you can at your leisure draw up on the subject of the Cutch coal will be most acceptable at head quarters ; I shall hope, therefore, to hear further from you on the subject.

(Signed)

WILLIAM NEWNHAM,
Chief Secretary to Government.

Copy

of *chaya* root without payment of the duty to Government?—I was constantly removing loads of *chaya* root, and there were frequent complaints about it. The one I suppose that is alluded to was in a schooner.

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871. Did you on any occasion, in 1826, send away a quantity of *chaya* root without the payment of duty?—No, I did not, positively at no period, either in 1826 or any other period.

872. Are the Committee to understand you never did send away *chaya* root from the district without paying the duty?—I never did; I never attempted it nor desired it. I have always paid the legal duty, and more than the legal duty.

873. Was any of your *chaya* root seized?—I have mentioned various loads are under seizure, but none have been brought to trial. I have invited trial, but been requested to remove loads of *chaya* root, and I would not.

874. Were they seized on the ground of your not having paid the duty?—Here are the particulars, and the whole correspondence.

875. Answer the question shortly?—Illegal duties were demanded and refused.

876. Upon what authority did you pronounce the duty illegal?—I consider legal only those authorized by the printed regulations of the Madras government.

877. Is the Committee to understand that those duties were beyond the rates specified in the regulations?—Quite against the regulations. I believe in every case, and every demand I resisted was eventually abandoned by the Madras government and the local government. What I was not allowed to do at one time, I was always allowed to do afterwards. I was even allowed, and the order is contained here from Mr. Peter, that my boats and goods should not be detained on any pretence, on any part of the territory, but that they should pass free.

878. Did you continue to be the agent of Messrs. Scott and Company during the whole of your residence in India, till you came home?—I did.

879. You were not invited by them to leave Madura, and come to Madras in 1827?—In 1826, by Messrs. Arbuthnot and Company, my agents. I was the attorney of Messrs. Scott and Company on the Coromandel coast, and their partners in these concerns. References were made by me to Messrs. Arbuthnot and Company, who negotiated with the Madras government, and requested me to come up and explain, which I considered to be a summons from the government, and instantly obeyed it, under the idea that it was a summons from the government, which it proved to be.

880. Was not the ground of their calling you to Madras, the offensive correspondence that had taken place between you and the collector at Madura?—I suspected it was, but had no ground for proof until Rous Peter, Esquire, said to me, in 1828, when a prisoner before him, “you may not be in these districts; formerly you were removed by the order of government.”

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Copy of a report on the Cutch Coal-mine, made by request of the Honourable Mount Stuart Elphinstone, Governor of Bombay, by William Wildey, Paymaster 4th Light Dragoons; dated Kaira, 12th June 1826.

The coal-mine of Cutch lies on the right bank of a large ravine, through which runs a small stream of water, distant from the entrance of the mine eight or nine yards, and about five feet below its level. The mine has been worked in the usual method of driving, following the vein of coal in a direct line nearly twenty-two yards, dipping gradually across the face of the mine, and varying in thickness from fourteen to seventeen inches; the level then takes a turn to the right, and inclines in that direction about three yards, when it resumes its original direction by a turn to the left, which it continued six or seven yards farther in, when the miners were withdrawn. The different strata through which the level has been driven, are those most commonly attendant on coal-mines, but other strata, pyrites, and various other appearance of ores, fully indicate that coal is not the only valuable which will be discovered in it.

The coal of the Bhooj mine I conceive to belong to the class of ampetites, as nearer approaching those of that species in quality and specific gravity; at the same time it partakes of the qualities both of the Kennet and Jet coal in its combustible properties, and will be found to answer every purpose either for the forge or steam-engine. As far as my judgment serves me, and under all the disadvantages I had in making my experiments on the coal of the mine, I conceive that there are different classes of coal in it, and that a still more superior quality than the specimen which I had the honour of forwarding to Government through the Chief Secretary, will, on sinking a shaft, be discovered. The best coal of the mine I consider to contain, charcoal seventy per cent., bitumen twenty per cent., sulphur five per cent., iron three per cent., and calcareous earths two per cent. The second sort, charcoal sixty, bitumen fifteen, oxyd of iron nine, earths ten, sulphur four, hydrogen and carbon acids two per cent.

I have also observed, on examining the coal heaped for cartage to Mandavie, that there was a great proportion of it resembling the Welch culm and Kilkenny coal. I have observed in the Bombay Courier of the 25th of March last a statement of the experiments tried at Bombay on the Cutch coal. I am induced to notice that part of the letter signed "*A Friend*," as regards the failure of the coal, and its combustible properties, for two important reasons; as the writer of this letter states that the specimens "which have been obtained under the operations which have been lately instituted, and which have been forwarded to the Presidency, do not, we understand, give such encouragement to persevere, as on trial the Cutch coal has been found to have little more than half the power, as a combustible body, possessed by common English coal." Now with regard to the specimens forwarded to the Presidency, I beg leave to state they were of the most inferior quality, and not the same coal as now worked in the mine. The coal of which these experiments were tried at Bombay was from a stratum which drove across the face of the mine from its first working, and continued dipping gradually to nearly where the fourteenth couples which support the timbers of the roof are placed. I am happy that it lies in my power to state this, because, on my first visiting the coal-mine the miners had only driven their level twenty-two yards, and no coal had been sent to Bombay beyond fifteen yards, working from the mouth of the adit; their working of the seven yards farther into the face of the mine, on my first examining it, was then lying ready for cartage to Mandavie; consequently, as the best coal was not discovered till the miners had driven their level nearly twenty-five yards, the experiments of the best coal are still unknown at the Presidency. I am willing, however, to admit, that the trial at the Presidency was good and such as stated, that the combustible properties of the coal with which it is made only contained little or more than half the power, as a combustible body, possessed by common English coal. What a consideration is this, that the worst description of coal found

in

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881. You were absent a year at Madras, and then returned to Ramnad, did not you?—From Madras I went to Ceylon.

882. You were absent for a year, and returned after a year to Ramnad?—I was absent from Ramnad nearly a year, and then returned to Ramnad.

883. What time was it?—Christmas 1827, I returned to Ramnad.

884. Were you then, or not, called upon for your license by the collector, upon your return to Ramnad?—On the 27th of November 1827, I returned to Ramnad; on the 4th of December 1827, I addressed a note to the sub-collector of Madura; on the 28th of December 1827, I wrote the following letter to the magistrate of the zillah Madura.

885. Were you called upon for your license by the authorities at Madura?—This will state it.

886. Were you or not called upon to produce your license for residing at Madura?—He demands my passport; he says, he is come as a police officer, and demands my passport; I was not asked for a license; a license and passport are materially different things.

887. What is the difference between a license and a passport?—A license is a document obtained in England, which I never had any occasion for.

888. You are aware they are granted by the government there?—There are frequent instructions from the honourable Court of Directors to the governments in India, forbidding them to grant any license of residence. A license of residence in India is necessarily and properly only granted by the Directors or the Board of Control, but a license to reside in the presidency ten miles in the interior, is granted by the local governor.

889. Were you or not, in fact, asked for the authority under which you resided, and refused to produce it?—On Christmas day a Tamul officer, a police officer of the district, paid his Christmas respects to the family in which I was, and ornamented them with garlands of flowers, which is customary; on the 28th of December he sent a message to me that he would wait on me, and pay his respects to me. I expected a Christmas visit which I did not wish to receive, and I sent word back, I would not receive him; that I was passing shortly through the district, and was not prepared to receive him. He then intruded himself as a visitor to me, after having been refused; he with much noise says, "he is come as a police officer, and demands my passport." He first came as a visitor, and when I would not receive him, he came as a police officer. I was residing there; I was not travelling.

890. Did you produce a passport?—No more than I should at present.

891. You were apprehended in consequence, were you not?—I made a statement to the magistrate of Madura, and the reply was, from the joint magistrate, "The ameen has received my orders to require from you to state by what authority you are now in these districts." The one demanded an authority for passing through the district, and the other for residing in the district.

892. You

in the Bhooj mine should on trial be found to contain half the properties of combustion that coal sent from England possesses: this simple fact must alone argue in favour of a mine just opened, and worked under all the disadvantages of the coal being exposed for many weeks to the dews of Cutch at night, and the sun by day, ere it reaches the Presidency; that alone would be sufficient to destroy its best properties. Having stated thus much on the inferior coal, I will now say a few words on the best quality to the period of my last inspecting the mine, which was the day after the miners were withdrawn, and which I feel assured will not admit for a moment a doubt or prejudice against its combustible qualities.

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I had expressed a wish to my friend Colonel Dyson of making a party to the coal-mine; and my first visit was with him, Colonel Mitford, Captain Capon, and several other officers, to a *pic-nic*. After breakfast we proceeded to examine the mine, and then looked at the coals that were heaped ready for cartage to Mandavie. On closely examining the heap I was satisfied that coal was not the only valuable production that would be discovered in the mine, in consequence of which I paid frequent visits, and made several experiments, the result of which have partly been laid before you. But to return to the *pic-nic*; I proposed that our dinner should be dressed by a coal fire, and I undertook the superintendence of it. A few baskets of coal from the heap were brought up, and the fire made, which burnt in the clearest manner, and precisely with the same flame and appearance of the finest quality of Kennet coal in England. I had some little difficulty in regulating the heat for the country oven, from the fierceness of the fire; but by moving it nearer or farther from the fire at different times, I was successful enough in the baking, and I cannot speak too highly in favour of the coal-fire for boiling, roasting, and broiling. The novelty of dressing a dinner by a coal fire in India afforded us the highest delight and gratification. This trial led me to make other experiments to ascertain its combustible qualities, and also the proportions of its composition, from which I conceive the best coal of the mine superior to the English coal, and the secondary nearly composed of the same qualities as the "common pit," the "boney," the "slate," the "bitumen," the "sea," and the "caking" coal, the whole of which belong to the same species, and mostly used in steam-engines, and seldom varying from fifty to sixty per cent. of charcoal, twenty-five to thirty per cent. of bitumen, the remaining parts consisting of oxyd of iron, acidulous water, calcareous earths, and such other substances as are generally met with in coal-mines. I had nearly forgotten to state one important circumstance connected with the *pic-nic*, namely, the fire by which the dinner was dressed was made in the open air, merely a few stones making the back and sides of the fire-place, and wholly unprotected from the sun either by tree or hedge. Now how far English coal would have stood this test would be an experiment worth knowing. Having thus confidently spoken of the combustible properties of the Cutch coal, I will now make a few observations on the quality of its smoke, which, in the present era of scientific knowledge and invention, ought not to be overlooked, as I consider it much superior in quality and specific gravity to the smoke or gas from coals generally used for any purpose in England, and would not require that process of purification which the English coal undergoes to procure gas, being in itself extremely pure; and from my experiments, I have no doubt, would be found highly valuable for every purpose which gas is at this present moment used in almost every part of Europe. From the purity of the gas the Cutch coal could not fail to be of the utmost importance in steam-navigation, as it would in a great measure increase the heat of the fire by consuming its own smoke, and would not foul the flues by incrustation, in the same manner as the smoke from a coal-fire on board a steam-vessel. I will now add a few remarks on the method which the mine has hitherto been worked, and also of the difficulties which are likely to arise from its locality, situated as it is nearly in the bed of a large river, which, on the increase of the water in the monsoon

892. You were apprehended in consequence?—Peons were put over me; but I have been making application to know why I was apprehended, to his Majesty's Justice of the Peace, to the local governments, to the supreme government, and to the Court of Directors; but I have not yet got any answer, and I have never yet seen the warrant. 28 Feb. 1831.
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893. How long did you remain under the surveillance of the peons?—“Madura, Sunday noon, March the 2d, 1828. A passport to Ramnadporam is just now handed to me.”

894. How long were you detained?—Two months it is. I am desirous of referring to official documents: it was handed to me after repeated applications.

895. That was at the close of your confinement?—That was the only means by which I could leave the place to which I had been marched.

896. State the precise period of your confinement?—From the 28th of December to the 2d of March.

897. Did you, or not, receive a summons from the magistrate before you were placed under any restraint?—I did not receive any summons of any description, or any notice or notification of any kind; no message or communication from any magistrate or person.

898. Are you quite sure of it?—No communication whatever from any magistrate until my communication to him that I was a prisoner, though I had been a month on the coast.

899. Did you, or did you not, receive any communication from a magistrate; did you not receive a written document of any kind under the authority of a magistrate, before your arrest?—The first communication was the joint magistrate's letter of the 29th of December, in reply to the letter I sent informing him I was arrested.

900. That was explaining the ground of your confinement. You are sure you did not receive any written document, or indorse it with your signature or initials?—This reply is the first document I received for about a year from my departure, until a month after my return to the coast; there had been no communication between the Madura authorities and myself for about a year after I had first left in October 1826.

901. Were you brought before a magistrate on any occasion during your arrest or before it?—I was marched to Madura, a distance of about sixty miles, by armed natives, and then taken before his Majesty's justice of the peace, Rous Peter, Esq.

902. What day was it?—The 7th of January 1828.

903. That was after you had been a month in confinement?—No, eleven days, when James Taylor, Esq., now a member of the council at Madras, was present, together with several other English gentlemen.

904. Were any questions put to you on that occasion?—Mr. Oakes, assistant

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monsoon, will in all probability wash away the couples which support the timbers of the roof, or, by bursting the gallery altogether, thereby rendering the mine unfit to work for a considerable length of time. A long and laborious work was continued in driving the present level, which might have been saved by sinking a shaft, and working by intersections, as the different strata were found, which might easily have been accomplished by the use of the windlasses or whims, worked by bullocks, until a satisfactory trial had been made whether the mine was of sufficient importance to render the aid of British miners and machinery necessary. As it is well known that a horizontal level cannot be driven to any great distance, neither can a single shaft, not communicating by one level to another, be sunk to any considerable depth, without some contrivance for procuring currents of air, to make up the deficiency of oxygen, which is so rapidly consumed by respiration, combustion, &c., to the want of which may be attributed the many dreadful effects of the gases so frequently occurring from fire-damp, choke-damp, and other incidents too common in mining; it is therefore most essential that every precaution should be taken to protect the miners by the use of safety-lamps, &c., as well as procuring them free ventilation, which can only be complete by either sinking other shafts, or by air-pipes to the surface itself. To carry on all the process of mining requires the combination of much skill in the various branches of engineering, and it is also the essential part of the miner's art to distinguish and select the most advantageous spots for breaking ground, where he may not be opposed by streams of water, by unwholesome air, or be cramped for room. Having now stated my opinion, as far as my observations and judgment permit me, on the Cutch coal, and the working of the mine, it is needless to quote as to the general principles of mining, which seldom deviate from those practised in the coal-mines of England. But where the want of machinery, the difficulty of procuring timber, the locality of the Cutch coal-mine, and other obstacles and difficulties intervene, it may be requisite to deviate from the beaten track to obviate such difficulties, under whatever circumstances they may present themselves. It is therefore for the consideration of Government to decide how far it may be advisable to continue the working of the mine by the best means that can be adopted on the spot, or to send to Europe for scientific miners and machinery. It however may be worth the attention of Government to cause research to be made in Cutch, in the hope of discovering coal at a much nearer point of shipment, and I have no hesitation in saying that I think it would be attended with success; but in the event of its failure, I think the cartage of the coal from the Bhooj mine may be rendered much easier and less expensive by constructing railways. From the general observations I have made in Cutch, I firmly believe, from the various volcanic irruptions, and the many revolutions of nature which that country seems to have undergone, that almost every production of mineral would be found embowelled in its earths. I therefore hope and trust that, under the present Government of Bombay, every exertion will be persevered in in making research, the result of which may be the first step towards placing that Presidency in the highest point of view, independent of her present great commercial interests, and the advantages her port must derive from her local situation, in the event of a communication with the Mediterranean and Europe by steam navigation, as well as to every port of Foreign and British India.

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 209

No. 1322 of 1826.

14 April 1831.

General Department.

W. Wildey, Esq.

To Captain William Wildey, Paymaster of His Majesty's 4th Dragoons.

SIR :

I have the honour to acknowledge the receipt of your letter of the 12th ultimo to the address of Mr. Chief Secretary Newnham, and to return to you the thanks of the Honourable the Governor in Council, for the able and encouraging Report which you forwarded to Government on the coal-mine in Cutch, and for the public spirit which induced you to undertake so useful an inquiry.

I have the honour to be, Sir,

Your most obedient humble servant,

Bombay Castle,
3d July 1826.

(Signed) D. GREENHILL,
Acting Secretary to Government.

2291. You have spoken of Cutch wool; to what extent could it be attained?—In any quantity, I should think, as a flock of sheep to any extent might be procured in Cutch.

2292. At what price a head?—I should think from 3s. to 3s. 6d. would be the price of the finest sheep in Cutch.

2293. To what purposes would it be applicable in this country?—I have shewn a sample of it to a gentleman conversant with the wool-trade in London, and he has stated to me that wool of that sort has been very much wanted in this country. Though not particularly fine, it is a long staple, and would make excellent blankets, carpets, and other coarse articles.

2294. Is the fleece large?—It is nearly the size of the sheep of this country.

2295. What is about the average weight?—I should think about four pounds and a half to five pounds. The wool is particularly long in staple, I should suppose six inches on some parts of it: the sheep are fully as large as in England.

2296. Did you in that country meet with many European cotton manufactures?—Yes, in the bazars of all the towns I passed through from Bhooj to Kaira.

2297. Are they much worn by the natives?—Yes, much worn by the natives, and particularly sought after.

2298. Do they use any British woollens?—They use British woollen cloths; but I have seen horse-cloths and dulees made from the wool in Cutch.

2299. Did you see any British manufactures?—I have seen British manufactures of all sorts, both woollen and cotton. I have seen British muslins and British shawls worn by natives; I have also seen the natives give a preference to them to the shawls of this country, even at Mandavie, which is a large depôt for shawls from the Persian Gulf.

915. You stated you were engaged in the chank fishery on that part of the coast?—Yes. 28 Feb. 1831.

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916. Were you so engaged with the knowledge of the government?—Under the authority of the government, by a contract with the government.

917. Under those circumstances, did you conceive it necessary to have any other license to reside at Ramnad?—No, nor do I conceive it necessary: it is in my power to return to India as freely as to Liverpool.

918. Are you at the present moment the renter of this fishery?—At the time I left India: the lease of Tinnevely was ours until 12th July 1830.

919. At the time of your arrest you were the renter of the fishery under the government?—Yes, until the moment of my departure from Calcutta, on the 15th June 1830.

920. You stated, you invited a trial upon the litigated points between you and the collector?—Yes.

921. How?—By letter. I offered to deposit the amount of every demand made upon me in the supreme court of Madras.

922. To whom did you make that offer?—Both to the collector and the Board of Revenue.

923. You have stated, the duties demanded of you were illegal duties; were any duties payable upon the export of those chank shells?—There never was any dispute concerning the chank duties; it was concerning other articles. Duties were chargeable upon the chank shells, and always paid.

924. To what articles did your answer refer?—The first was on the import of British iron, that was the origin of the dispute: sixteen per cent. on the invoice value of British iron was demanded and insisted on by the native servants of the Company.

925. You resisted the payment of that duty?—Yes.

926. Does it appear upon the Madras regulations that any duty is payable upon British iron into Madura?—Quite the contrary; by the express law it is exempt.

927. Does not the Act of Parliament prevent the granting a license to Europeans to reside in India by authorities at the different presidencies?—I am not aware that Parliament has deprived the Indian government of the right of licensing Europeans to reside in India; but the Directors have constantly forbidden them to do so.

928. Was there any other point, except that of the duty upon iron, on which you had a difference with the collector?—Several others, concerning the duties inland, and the sea-duties on chaya root, and the valuation on the tariff: it was overvalued three times its amount; and almost if not every point that came into dispute was given up by the government.

929. Can

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2300. Do you conceive the district of Cutch to be capable of much improvement if capital were employed upon it?—Yes, I have never seen a country where I think there is so fine a field as Cutch for British emigration and capital; in fact, had I not been a Paymaster in the King's service, I would have remained in Cutch as a resident; that is, could I have obtained permission and a grant of land.

2301. What is the extent of the district of Cutch?—It may be about one degree wide, north and south, and about two degrees long, east and west.

2302. Is it a populous district?—Yes, it is, in some parts; some of the villages are very large; Bhooj, which is the principal city, has an immense population.

2303. Are the natives an industrious race?—They are particularly so, much more so than the natives of Bombay or Madras; they are a very fine race of men, mostly six feet high, and nearly the same size as the Bengalese.

2304. Are the prices of labour low?—They are.

2305. Are they generally deficient in capital?—Quite so.

2306. Would the introduction of capital on the part of Europeans settling there be of great importance to the country?—It would.

2307. Are you acquainted with other parts of India?—I am with almost all parts of India, particularly with the Malabar and Coromandel coasts.

2308. Do you conceive that the same principle which you have stated as applicable to Cutch, and productive of advantage for the settlement of Europeans there, would be equally advantageous in other parts of India?—In every part of India I have visited, and particularly on Ceylon.

2309. What is the climate of Cutch?—It is extremely fine; particularly cold at night, and in the morning it is more temperate than in any other part of India; we rode constantly about during the heat of the day. Pic-nics to the coal-mine were made during the heat of the day; shooting parties were made the same as we should do in this country.

2310. Are there not very unhealthy winds from the great Run?—Not that I am aware of.

2311. Are you aware whether it is considered so unhealthy that the native troops are unwilling to go there?—That might be so to the south of the Run, but not to the northward: Mandavie must be extremely healthy from its position, lying in the Gulph of Cutch, and being a sea-port.

2312. Does not Cutch produce large quantities of cotton?—There is a great quantity of cotton grown in Cutch, but not in proportion to what it might be cultivated: it is particularly fine in the staple and well cleaned, much better I should say than any that is grown in the Guzzerat. I have brought samples of the Cutch cotton with me to England.

SIR

- 28.Feb. 1831. 929. Can you state to the Committee the duties payable upon that chaya root?—Inland transit duty, five per cent.
P. Gordon, Esq. 930. That appears upon the regulations?—Yes.
931. What demand was made upon you upon that head, what percentage?—Payable only on passing the choukie; and it was frequently demanded where it did not approach a choukie, on its coming into my stores.
932. Was there any choukie between the place where the chaya root was collected and your own store?—There was no choukie; it passed the choukie merely on its way to Madura for sale.
933. How far were your stores from the place where the chaya root was collected?—All round the store, from the very door of the stores, but ten miles from a choukie.
934. Do the Committee understand the duty on this chaya root was demanded from you before coming into the store?—Yes, on removing from one store to another.
935. To what distance?—The whole length of the coast, 120 miles.
936. Do you conceive such a demand was legal or illegal?—It was abandoned by the government.
937. How soon after you commenced collecting chaya root was the demand made upon you?—Not until after the disputes concerning British iron.
938. Can you state the year?—About 1825 or 1826.
939. When did you commence collecting chaya root?—The 12th of July 1824.

Jovis, 3^o die Martii, 1831.

PETER GORDON, Esq. again called in, and examined.

- 3 March 1831. 940. You stated, on the last day you were examined, that you were
P. Gordon, Esq. desired by the government of Madras to proceed against the individual who had aggrieved you in the zillah court?—I did.
941. Will you state the reason why you did not take that course?—Here is the opinion of the advocate-general of Bengal, stating that a British subject cannot be impleaded by another British subject in any of the country courts: and that the law on the subject stands as it did previously to the passing of the Act of the 53 Geo. III. c. 155. This is signed, "R. C. FERGUSSON, January 28th, 1818."
942. Had you not the means of proceeding against that gentleman in the supreme court of Madras?—I attempted it subsequently as a criminal suit,
 and

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SIR CHARLES FORBES, Bart. (a Member of the Committee) examined.

*Sir C. Forbes,
Bart.*

2313. CAN you give the Committee any information with respect to the injury sustained by Mr. Wilkinson, on account of the interference of Government in a contract which he had been allowed to make for the purchase of saltpetre in the year 1811?—I undertook to bring that case before the Court of Proprietors on behalf of Mr. Wilkinson in the year 1819. Upon Mr. Wilkinson's return from Calcutta to this country, he called upon me with a letter of introduction from Mr. Palmer, of Calcutta, drawing my attention to the great hardship of his case, and soliciting my assistance in endeavouring to obtain redress from the Court of Directors. I went over the case very fully with Mr. Wilkinson, and found it to be one of the most oppressive that I had ever heard of on the part of the East-India Company towards individuals. It appeared that in the year 1810 the Bengal government resolved to throw open the trade in saltpetre, in consequence of representations made to them of the great injury to the public and private interests from the existence of the monopoly. Accordingly in 1811 the trade was declared to be free, and Mr. Wilkinson, with others, entered into contracts for the article to a large extent; he was then residing at Gorruckpore. An extended manufacture of the article took place in consequence of the freedom of trade and rise of price. He engaged to pay seventy per cent. more than the prices of the Company's commercial resident at Patna. The Bengal government, however, thought proper, in 1812, to rescind their previous resolution, and to declare the trade in saltpetre shut; they resumed their monopoly in the most rigorous manner, without reference to the contracts which had been entered into by Mr. Wilkinson and others, and by which they suffered a most serious injury and loss, whilst the Company took to themselves all the advantages. Mr. Wilkinson remonstrated with the Bengal government for several years, but with very little effect; at length they determined to refer his case to the consideration of a committee of five gentlemen, chosen by themselves; two of them Mr. Bayley and Mr. Wood, civil servants of the Company, Mr. Compton, their junior counsel, lately appointed Chief Justice at Bombay, and Mr. Cruttenden and Mr. Clark, two merchants of Calcutta. Those gentlemen, after the fullest investigation of the whole case, came to the unanimous resolution of recommending to the government to pay to Mr. Wilkinson the sum of 288,800 sicca rupees, or £36,100 sterling, as the lowest compensation they would have been disposed to give had the matter been left to them as arbitrators, although Mr. Wilkinson estimated his loss, or rather deprivation of profit, as exceeding £79,000 sterling, and which profit, with much more, went into the treasury of the Company. Mr. Wilkinson's suspense and anxiety did not however end here; the Bengal government rejecting the decision of its own committee, referred the case to the Board of Trade at Calcutta, which recommended that only 75,000 sicca rupees, or £9,375 sterling, should be paid to Mr. Wilkinson, together with interest at six per

and the opinion of the clerk of the Crown was given in on the first day of my examination, that I had no means of obtaining redress. 3 March 1831.

P. Gordon, Esq

943. You state, that you were advised to proceed civilly in the zillah court against the gentleman referred to; that you were then advised by the advocate-general that you could not proceed in that court; why did you not proceed in the same manner in the supreme court?—I knew that, at the time the supreme court was established, it had not jurisdiction in revenue affairs, and I suppose that to be the case at present. I frequently, as I have already stated, offered to deposit the amount of every claim made upon me in the supreme court, and wished to try the legality of the demands, but I never could have it brought to a trial.

944. This was a question of customs, was it not?—Yes; and the customs are a branch of revenue. The supreme court cannot proceed in affairs of customs: the local regulation for the management of the Madras customs enacts that disputes at the custom-house of Madras shall be tried in the zillah court at Chingleput; especially in the Madras regulations, first, second and third, of 1812.

945. Do you mean to say that the result of the advice you obtained was, that there was no court in India in which you could obtain redress?—I did my utmost to obtain redress in India at various times, and here is a note from the supreme government, referring me to the Court of Directors:

“ The case referred to in this letter was the act of the Madras government, the papers and proceedings relating to which are on record at that presidency, and the case is not one admitting or requiring the interference of the supreme government. Mr. P. Gordon may prefer his complaint to the Court of Directors, who have the power of controlling such matters, and to whom the appeal naturally lies.

“ H. T. PRINSEP,
“ Secretary.”

“ Calcutta, 3d June, 1830.

946. The question refers to redress from the court of justice; do you mean to say that you were advised that there was no court of justice in India in which you could obtain redress?—I believe that there was no court of justice in India in which I could obtain redress.

947. Is it not the fact, that the internal customs is mixed up with land revenue as well as the farms, and that the King's courts have no jurisdiction therein?—I believe that to be the case; it has been so by Act of Parliament. The system has been changed occasionally, but as far as I know, that is now the system. I did my utmost, both in courts of law and by applications to the Madras government, and to the supreme government: the opinion of Mr. Fergusson was taken on a reference by the supreme government previous to my case.

948. Did you consult English counsel upon the subject?—There are many disputes, and have been for several years, and of course on every trifling dispute I did not consult counsel; but on the great point of my

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personal

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cent. from the 11th of October 1816. Mr. Wilkinson, however, did not consent to this arrangement; and despairing of obtaining justice in India, returned to England to bring his claim before the Company. The Court of Directors having brought before the Court of Proprietors, on the 24th of March 1819, a resolution to the effect of granting to Mr. Wilkinson the sum of 75,000 sicca rupees, for the purpose of its being confirmed by the General Court, I moved an adjournment of the question for fourteen days, in order to amend the motion by inserting the larger sum to be paid to Mr. Wilkinson, agreeably to the unanimous recommendation of the Bengal committee, as the lowest compensation to which he was entitled; it being observable that the said committee was appointed without Mr. Wilkinson being a party to it, or his having any share whatever in the nomination of its members. After considerable discussion, the question of adjournment was put and carried, and on the 30th of March, Sir Charles Cockerell and myself gave notice to the Court of Directors, that upon the 21st of April following we should move and second the larger sum being paid to Mr. Wilkinson, with interest at eight per cent. from the 30th of April 1817, until paid. Accordingly, on the 21st of April, at the adjourned Court, I submitted the amendment above stated, and after a very full discussion the Court divided, when there appeared for the original motion 32, and against it 32: there being no casting vote in such cases, a subsequent division took place upon the amendment, of 32 for, and 33 against it, when the Chairman declared that both questions were lost. This rendered it necessary to bring the question again before the Court of Proprietors, which was accordingly done, after due notice, on the 19th of May 1819, when another very full discussion took place. I ought to observe, that in order to meet what appeared to be the wish of several Proprietors, Mr. Wilkinson was advised to reduce his claim to 180,000 sicca rupees, being the medium between the two sums before mentioned, and the motion being framed accordingly, was carried by 59 for it to 50 against it. The Chairman and others demanded a ballot, which took place upon the 2d of June, when there appeared for the motion 269, against it 482, leaving a majority against it of 213. Mr. Wilkinson, tired of the anxiety and expense he had been exposed to for so long a period, was at length under the necessity of receiving what the Company chose to give him, being the sum of 75,000 sicca rupees, at 2s. per rupee, £7,500 sterling, with interest at six per cent. The whole of the proceedings on this cruel and oppressive case are fully detailed in the Asiatic Journal for 1819, published by the booksellers to the Company, and are well worthy the perusal of those who can have any doubt of the injurious effects of the union of the two characters of sovereign and merchant in the East-India Company, as well to the true interests of the Company themselves as of individuals.

2314. Is not Mr. Wilkinson since dead?—Mr. Wilkinson is since dead: he went to Paris, where he set up a bank; and died, I think, about a year ago.

2315. Are

3 March 1831.

P. Gordon, Esq.

personal arrest I did consult counsel. Nothing but a criminal proceeding would satisfy me; a civil proceeding would have been an insult, after having been arrested and marched through the country, and treated in the way in which I was treated. The meanest individual in this country is entitled to a criminal proceeding against any magistrate who arrests him improperly, and I considered myself entitled to the same in India.

949. *What is the fee usually paid to a counsel?—The expense altogether of counsel and attorney, taking this particular opinion, was, I think, five or six hundred rupees (about £60); and the detention, having noother business at Madras, was upwards of six weeks, during which time I was living at a tavern, and not attending to any other business: with loss of time it cost about £300.*

950. *Have you been in the habit occasionally of assisting the natives with your advice?—Constantly, whenever it was in my power.*

951. *In cases of hardship, and complaints they have had to make?—Whenever it was in my power. In 1816 a Committee of the House of Commons being appointed to inquire into the situation of Lascar seamen when in England, three letters of mine were laid before the Committee. About that time I published a tract on the situation of the Lascars in this country. I mention this as an instance, that at an early period I interested myself about the natives, and of course the same system has always been continued.*

952. *Is not that considered a very unacceptable interference on the part of the authorities in India?—Exceedingly so.*

953. *Is it not sufficient to draw down the wrath and jealousy of the government towards you?—Especially on the subject of purveyance, concerning which some of my most violent disputes originated.*

954. *Will you describe to the Committee what you mean by purveyance?—The supply of the table of Europeans generally with all articles of food produced in the villages; sheep, fowls, hay, straw, firewood, labour, and other articles, but not rice.*

955. *Are all those supplied at certain rates?—A tariff is published of fixed rates, at which they must be supplied by the natives, and ought to be paid for by the government's servants; but these articles are seized, and generally the native does not receive any thing whatever.*

956. *Seized by whom?—By the native servant, for the use of the European traveller and European officer; for the use of myself it was done frequently. The native officers of revenue-police are glad to have the name of an European to make use of; they seize, perhaps, a dozen sheep, and supply one to the European.*

957. *What may be the nominal price they allow for a sheep?—I can lay the Madura rates before the Committee, and also the market rates.*

958. *Do they bear any reasonable proportion to each other?—One half, generally*

2315. Are you aware whether any political necessity existed in the year 1812, inducing the Bengal government to adopt the course which they pursued with respect to the transaction you have now mentioned?—I am not aware of any. It was a period of perfect peace in India, though there had been a war with France for many years before.

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Sir C. Forbes,
Bart.

2316. Are you aware of any other instance of injury arising to trade on account of the interference of the government of India?—I am aware of several instances, but particularly with respect to Malwa opium. I have been informed, that in the end of the year 1828 the Bombay government announced to the public that the trade in opium would be thenceforth free, upon the payment of a certain duty on the importation of it at Bombay. This, I believe, arose from their finding it impossible to prevent what they call a smuggling trade from Malwa, the territory of Holkar, with Demaun, a Portuguese settlement about a degree to the northward of Bombay. In consequence of this intimation, the native merchants in that part of India were naturally encouraged to go considerably into speculation in the article of opium; but soon afterwards, I believe in the course of a few weeks, another intimation was issued by the government that the monopoly was resumed. This was understood to be in consequence of the Company having made contracts for the article, which the contractors declared their inability to deliver at the low prices stipulated, in consequence of the trade being thrown open; and it has been stated to me, upon authority which I believe to be correct, that the Company having contracted for and received opium to the value of twenty lacs of rupees, sold the same at a profit of 300 per cent., which I consider in no other light than a robbery, on the part of the East-India Company in their character of sovereigns and merchants, of the property of their ally Holkar and his subjects, and of the private merchants of India.

2317. Do you adduce this as an instance of the injury arising from the Company sustaining the double character of merchants and administrators of the government of the country?—Yes.

2318. In what way were the Company, as a commercial body, benefited by this arrangement?—I think that fully appears by their selling the opium for eighty lacs of rupees which they purchased at twenty.

2319. Did they sell it as a commercial body or as the government?—Their characters are united, and I do not see how they can separate them as it suits their convenience.

2320. Are you not aware that the separation is effected, not according to the convenience of the Company, but by an arrangement made in many respects against the desire of the Company, and under the authority of an Act of Parliament?—They are bound to keep their political and commercial accounts separate, but I believe it would be exceedingly difficult to separate them under the existing system.

2321. Do

generally speaking ; but in reality the natives do not receive any thing for what is taken from them. I have frequently seen at the cutchery a hundred fowls collecting, and at the head police-office in Madura there is a constant supply of sheep and poultry kept up for the table of the judge and collector, gratis.

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959. By whom are the rates of price fixed ?—By the collector of the revenue. It is considered a service, and publicly collected from the villagers, without any secrecy.

960. Do the natives receive nothing ?—Generally speaking, they do not actually receive anything

961. Do the Europeans pay nothing ?—Occasionally they do.

962. To whom does that money go ?—To the native servants of the government. There are written regulations well known in all the cutcheries, that is, the office of the judge and of the collector. Purveyance is managed by the police. The collector, being a magistrate, collects for the table of the judge (the judge cannot collect for himself) ; and by this system the collector, of course, has a considerable degree of influence, and can make the situation of a judge very uncomfortable, in not supplying him.

963. Does not the judge pay according to the tariff prices to somebody ?—At Madura I should think not.

964. Is that a common practice, according to your experience ?—It is. On the arrival of Mr. Nelson as sub-collector of Ramnad, it was mentioned to me, that the peon, as usual, had applied in the village of Aitexgarie for the supply of oysters and fish. I sent a message to the peon, requesting him to come to me ; he appeared, and produced a written order, which I have copied and translated. I sent a note to Mr. Nelson, representing the circumstance to him, and during the whole of his residence in the zemindary he never took the smallest article whatever without paying for it, which was particularly noticed and spoken of daily by the natives.

965. To whom did he pay ?—He paid the person from whom it was taken, whenever he possibly could, under his own eye, and the natives always acknowledged they were never robbed on his account.

966. To whom do the natives complain, on such occasions, of the robberies committed ?—There is no person to whom they can complain ; it is done by the magistrate, and for the magistrate and his friends.

967. If they show dissatisfaction upon those occasions, are they not liable to punishment ?—Of course they are ; but still many disputes occur between them and the revenue police officers. When they come to a village, if there are any strong influential people, and it is a populous village, there is occasionally considerable resistance. The villages of Mussulmen are, by usage, exempted from the greater part of this service ; it falls entirely on the lower classes of natives, on the lowest and most depressed.

968. Does the magistrate live quite free of expense for articles of that
M 2 kind ?—

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2321. Do you conceive that the separation which is enjoined by law of the territorial and commercial accounts has any bearing upon the question of the supply of opium?—I cannot see it. I would also mention, with regard to their cotton investments for China, that great inconvenience and injury to the interests of the private merchants on the western side of India arises from the Company going into the market to purchase cotton, the period of their doing so, and the quantity they require, being quite uncertain, insomuch that the cotton growers and dealers will fix no price, nor enter into no contracts with the private merchants, until they ascertain whether the Company are or are not to come into the market. The first intelligence of this comes from the northward to Bombay, announcing that the Company's agents have gone into the market, and made engagements for the purchases of twenty or thirty thousand bales of cotton, as the case may be, and which it is quite understood must be brought down to Bombay, wind and weather permitting, by a certain time. The price, of course, immediately rises for what remains of the crop, sometimes to an exorbitant rate, and the private merchant is either obliged to go without his investment or submit to purchase the article at a price which ultimately makes it a losing concern to him in the market of Canton. It is nothing uncommon for a rise of ten, fifteen, or twenty per cent. to take place in the course of a few weeks.

2322. Supposing any large capitalist were to be engaged in a similar trade in purchasing cotton, would not his purchases produce precisely the same effect as that of the East-India Company?—I conceive not, because the private capitalist would go into the market upon a footing with other merchants, having only the advantage of his superior capital; whilst the Company bring into the field their weight as sovereigns. It is perfectly well known, that when the Company announce that they require a certain quantity of cotton, the growers and dealers look upon themselves as bound to supply it.

2323. Are you speaking of Bombay?—Yes; but I believe that the effect produced is precisely the same at the other Presidencies.

2324. Supposing that the Company were not to take advantage of their situation of sovereigns, but that they were to go into the market as an individual purchaser, would not the circumstance of being an individual purchaser give them an advantage over the sellers, and enable them to buy cheaper than a variety of merchants could, who would meet in competition in the same market?—I do not conceive so: but I consider it impossible for the Company to lay aside their character of sovereigns so long as it is united with their character of merchants, in India.

2325. Do you mean that the Committee should understand that the Company in their capacity of sovereigns exclude the competition of individual merchants, while they are purchasers in the same market?—The natural effect of the union of the two characters is such. I have always considered it so, and found it so, during a residence of twenty-two years in India.

2326. Is

3 March 1851. kind?—For sheep, fowls, straw, and other articles, he and all his attendants about him, natives and Europeans, live and travel nearly, if not quite, free.
P. Gordon, Esq. There was one case which I brought to trial, and the magistrate punished the officer who made the collection : but it was with a great deal of trouble I brought this to trial, after a great deal of evasion by the magistrates.

969. Are there not similar demands made for officers, civil and military, travelling in the country ?—There are for Europeans generally.

970. Does that demand include the supply of the native servants travelling with him ?—It does.

971. Do they not travel sometimes with large numbers attending them ? Some hundreds.

972. Is it not, then, considered quite a visitation in a district when an officer comes that way ?—It is ; and at Madura it is usual for the Europeans and head native servants to have the cows of the natives, which are brought to their house, and remain with them till they are dry, when they are changed for fresh cows.

973. For what length of time ?—As long as they can be milked. An European resident, a judge or collector, will have twenty.

974. Is there any payment made for this supply.—None.

975. From what district is the supply of provisions for Madura drawn ?—From the district of Madura.

976. Of what extent is that ?—It contains nearly 1,000,000 souls.

977. Is it in general drawn in great proportion from the immediate neighbourhood of the town ?—Generally from the neighbourhood of the town ; but many villages, castes, and persons are exempt from it ; as in the town of Madura, there would be no person who has not some degree of protection keeping fowls ; the police, peons, and invalid soldiers, and persons who have any degree of protection, are able to keep fowls.

978. Are not the personal services of the natives called for equally ?—They are, except as bearers of palanquins.

979. Are they for carriage by bullocks ?—They are for carrying goods belonging to the government. If the government seizes a quantity of chaya root for arrears of rent, they press the bullocks, and cause it to be carried at their own tariff rate, and boats are pressed in the same manner for transporting chanks and other services.

980. Are there tariff rates paid upon those occasions ?—They are sometimes paid, and sometimes promised ; they are entered into the village account. Even the written code of regulations says they shall be entered into account, and that does not render it necessary to make payment at the time.

981. Are those rates sufficient to remunerate the individuals whose personal services or cattle are required ?—A few of the principal people gain by this system ; for every trade is managed by a kind of guild, and the heads of each

2326. Is it your opinion that this is an unprofitable mode of the East-India Company having made their purchases of cotton?—I believe it will be found so, on their own showing, if I mistake not, from what I have seen of the Papers lately laid before this Committee, and which exhibit a heavy loss upon their trade between India and China.

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2327. In speaking of the effect of the Company's purchases of cotton, are you speaking of your own knowledge while you were resident in India, or from subsequent information?—From both.

2328. Then your evidence is meant to apply to a very late period?—To a very early, as well as to a very late period; I would say down to the last season.

2329. Are you aware of any case in which the growers of cotton have been subject to any oppression on the part of the Company's servants in consequence of selling their cotton to individuals rather than to the Company?—I am aware that such has been the case, from the system of the Company's servants insisting upon the growers of cotton taking advances, and compelling them to deliver their cotton. I allude more to a former period than lately; it may not be the practice at present so much as it used to be.

2330. Are not private traders at liberty to make advances if they think fit?—No doubt of it, and they generally do so, but at great hazard of never getting cotton in return.

2331. If they make advances, have they not the same legal means of enforcing the delivery of the cotton on account of which advances have been made as the Company have?—When you speak of legal means, I am not aware of any such means that can be applied by a merchant residing at Bombay to compel a grower of cotton in Guzzerat, or in any other district out of the Company's dominions, to fulfil his contract.

2332. Have the Company any means which the private trader has not?—Yes, they have the name and the authority of the Company, which carries every thing before it in India.

2333. Does it not come back to this, that the advantage of the Company is derived from the immense amount of their pecuniary means?—No, I decidedly deny it; and in explanation allow me to state, that the time has been when the Company had not the means of going into the market to purchase cotton, or any other article of trade; when they were obliged to apply to the merchants of Bombay for assistance to carry on their wars, instead of their commerce; and which assistance, under arrangements entered into with the Bombay Government, was afforded to them in a degree, and in a spirit of disinterestedness, beyond what perhaps was ever known under similar circumstances in any part of the world. I allude to the period of 1803-4 and 1805, during the war which was carried on by Sir Arthur Wellesley, now Duke of Wellington, against Scindia and Holkar, when, in the course of little more than two years, the houses of Forbes and Company, and Bruce, Fawcett and Company,

each guild are usually intimate and friendly with the officers of police. They arrange in such a manner, that it is rather favourable to the head of the guild to have these services to perform; but it falls heavily on the poorer people, as the cattle drivers and others.

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982. Will you explain how it is favourable to one party, and not to others?—It is favourable to the influential people of the caste or guild. With regard to the carriers and bullock-drivers, every transaction is in a degree profitable to a few of the influential head men of the caste or tribe.

983. Does that arise from the payment being made to him?—By its being managed by him.

984. The payment of the persons under him being left to his direction?—Yes, it is all by management; they manage it as well as they can among them. The police must keep friendly with each guild, or turn the head men out whenever they will not carry on the management of the trade in conjunction with the police.

985. Whenever the natives can, do they make resistance?—They do.

986. Does the privilege of purveyance extend to those who happen to travel for commercial purposes?—It does, in a degree, by the written instruments which I have had copied many times. These instructions render it incumbent upon the native police-officers to provide for Europeans; so much so, that it is absolutely necessary, on arriving at a town, to apply to the native police-officers of the town to get supplied, and the traveller pays, if he has no particular influence with the police-officers.

987. Does that arise from there being a want of inns in the towns?—In a great measure from that, and also from a want of faith; for if a traveller was to go to a village and buy fowls, he would find a difficulty. They have such a disgust at supplying travellers, that whenever they can withhold supplies they do it; and if he was to pay the native into his own hand, without witnesses, after his passage from the village, by means of the natives and the neglected police-officers together, most likely there would be a complaint that he had taken his supplies without payment; therefore his proper and legal mode of making payment is by applying to the police-officer, and on quitting the village to get his receipt.

988. What is the punishment usually inflicted upon those who do not comply with requisitions of this nature?—It is seized by force.

989. Is the dawk established at Madura?—Not so regularly as in Bengal. On application to the collector of Madura, or to any of the districts, there were stationed relays of bearers, and also of porters, who are paid through the government.

990. Supposing an officer of government were to proceed from Calcutta to any distant part of the country, would he be enabled to get to the end of his journey without any expense?—I am speaking at present of Madura; I have not travelled in Bengal, except by water.

991. In

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Company, supplied their wants, and relieved their difficulties, to the extent of nearly two millions and a half sterling; the effect of which assistance was, in one short week, to reduce the discount upon the Company's nine-per-cent. treasury bills from eight or ten per cent. to one or two per cent., by undertaking, as those houses did, to receive the said paper, and to pass it current in their transactions at par, although then at so heavy a discount. At this period, so great was the distress of the Government, that many lacks of rupees of the Duke of Wellington's bills were lying in the bazaar under protest for nonpayment, and the exchanges for Government bills on Calcutta had fallen to 85 Bombay rupees for 100 siccas; the relative intrinsic value of the two coins being 106 Bombay for 100 siccas.

2334. Was not all this before the last charter?—It was so.

* 2335. Did the houses at Bombay become responsible for the paper circulated by them?—They received it in all payments as cash, and passed it as cash in all cases when they could do so, having the Company's security for it of course; but such was the state of alarm in which the native merchants and bankers were, that they would not lend their money to the Company, although they readily did so to the two houses before mentioned.

Lunæ, 18^o die Aprilis, 1831.

SIR CHARLES FORBES, Bart. (a Member of the Committee) again examined.

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Sir C. Forbes,
Bart.

2336. Do you wish to add anything to your evidence on a former day?—I do; I wish to show the particular motive I had for entering upon the subject of the assistance afforded by the Bombay merchants to the Government in the years 1803, 1804, and 1805. It might naturally be expected that, on the principle of one good turn deserving another, the Company and their governments would be disposed to assist the merchants of India in cases of emergency, which have happened and may hereafter occur. That such disposition has been evinced by the Government in India upon a late occasion there can be no doubt. They afforded, and very properly so, considerable assistance lately to the merchants and agents in Bengal, in a manner perfectly consistent with the security of the Company, and greatly to the advantage of the merchants, and the public generally. But I understand that this has been disapproved of by the Court of Directors, and likewise that there is a standing order of the Court, which has been often repeated, that no assistance in the way of loans and accommodations should be afforded to the merchants; and on a late occasion, that they had even gone the length of proposing to send out orders to India to publish such their determination and

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991. In any other part of India?—A revenue officer would ; a revenue officer, travelling in his own district, is enabled to travel without any expense ; a revenue officer, native or European.

992. How is it when he gets out of his district?—Mr. Peter, in travelling to Cutallum, his servants, in entering the Tinnevelly district, were proceeding as in their own district, making seizures of supplies ; complaint was made to Mr. Bannerman, assistant or sub-collector in charge of that part of Tinnevelly, who had the servants of Mr. Peter brought before him ; he reprimanded and forced them to pay for their supplies.

993. Have you read the work published by Bishop Heber?—I have.

994. Are not these abuses prominently referred to there?—They are. He paid extreme attention to prevent them ; but in the Madras territory, it is within my knowledge that he could not prevent them.

995. You have not travelled in the presidency of Bengal?—No, except from Bandel to the sea.

MATTHEW GISBORNE, Esq. called in, and examined.

M. Gisborne, Esq.

996. WHEN did you first go out to India, how long did you reside there, and when did you return to this country?—I left England for Java in the beginning of the year 1818, and resided in Java till the beginning of 1821 ; I then went up to Calcutta, and remained there till the end of 1828.

997. What was your occupation during your residence in India?—I was engaged in mercantile pursuits, as a merchant and agent.

998. You have still a mercantile establishment there?—I have at Calcutta.

999. Did you see the early progress of the free trade between Great Britain and India?—Yes ; I had an opportunity of observing the progress of it from almost the commencement of the year 1818 ; I was personally engaged in it.

1000. What was the result in Java with respect to the consumption of British manufactures?—There was a very extensive demand for British manufactures during the time I was in Java, both for cotton manufactures and for woollens and metals.

1001. What kind of cottons?—For white piece goods and for printed piece goods.

1002. What returns are made from Java?—From Java the returns to this country at that time were made in coffee, and sugar, and rice, and occasionally funds were sent up from Java to Calcutta in tin, japan, copper, and spices.

1003. Did you travel in the interior of Java?—Yes, I did.

1004. What is your opinion of the relative condition of the peasantry of Bengal and Java?—The peasantry of Java seemed to be in a better condition, as far as their external appearance went, in the wearing and consumption of manufactured

and orders in the Government Gazette at Calcutta. Whether such orders have gone, or will go out, I do not know; but have reason to think that the good sense and the justice of the majority of the Directors either has prevented, or will prevent, so extraordinary a measure, which, if persisted in, must necessarily affect the credit of the European merchants and agents in India with the native community, already, I am sorry to say, considerably shaken, by some recent events which have taken place at Calcutta. This was chiefly my object in stating what I did respecting the assistance afforded to the Government by the houses in Bombay. I have also to state, that pecuniary assistance has at various times been afforded by the merchants in India to the Government, particularly during the Mysore wars against Tip-poo Saib. Such assistance was thankfully acknowledged by the governments in India, particularly during the administration of the Marquis Wellesley; but I am sorry to say, that I have observed a jealousy existing on the part of the Directors of the Company towards the private merchants in India, and those here connected or trading with that country. In fact, the Company entered upon the present Charter with that feeling strongly expressed. I remember the Chairman of that day saying to the Court of Proprietors, "Let the private traders come on, we will soon give them enough of it." Accordingly one of their first operations was a speculation in claret, to India, to a large extent, which I understood glutted the markets, and ended in great loss to the Company, and injury to the private speculators.

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2337. Have you been during the present charter, and especially during the time when Mr. Canning was at the head of the Board of Control, concerned in any representation to that Board, as to the interference of the Company's agents in the purchase of cotton under the presidency of Bombay?—Very possibly I may, although I have no distinct recollection of it.

2338. Do you not recollect that the parties were assured that orders had been sent out, that the Company should go into the market, if possible, with no other advantage than that which they derived from their larger capital?—I recollect that the system of taking the revenue in cotton was abandoned, and it was understood that the Company should go into the market for the purchase of cotton.

2339. And that it was the intention of the Government that they should have no other advantage than that which they derive from their capital, without deriving any assistance from their character as administrators of the government?—As far as possible.

2340. Were you then desired to state any cases that might occur of oppression or undue interference on the part of the Company or their agents?—Very possibly.

2341. Do you recollect having occasion to make any such statements?—Not on my part individually. It may have been done by the agents in London

manufactured goods; they consumed a greater quantity and more expensive articles than the Bengalese generally. 3 March 1831.

1005. What are the wages of a day-labourer in Java?—The wages are higher in Java than in Bengal. *M. Gisborne, Esq.*

1006. How much?—I believe nearly double.

1007. What is the money in Java?—The Dutch money, Dutch coin; the silver money, guilders; and the copper money, stivers and doits.

1008. Is it at what is called par value?—That I cannot tell.

1009. Does it contain the quantity of metal which it purports to contain, or is it not a depreciated coin?—I believe the copper coin was very much depreciated; whether the silver was, I am not aware.

1010. How would you then ascertain the relative prices of labour between Java and Bengal?—I fix it by a reference to the exchange between England and the two countries.

1011. Do you mean that the effective wages of labour are twice as great in Java as in Bengal?—Yes, I believe they are.

1012. Did you travel much in the interior of Bengal?—No, I did not travel much: I went one journey up to Cawnpore, about eight or nine hundred miles from Calcutta.

1013. Did you go by water or by land?—I went up by dawk and returned by water.

1014. Was the rate of travelling expensive?—I think that it was eight annas, about 1s. a mile, that I paid the postmaster-general for laying the dawk for me for the bearers, and there was a small gratuity given to the bearers at the end of each stage.

1015. Were your provisions furnished to you regularly and gratuitously?—No; I had no provisions furnished gratuitously.

1016. During your residence for seven years at Calcutta, did the commercial intercourse between this country and India increase?—It increased very materially.

1017. In what branches of commerce were you chiefly engaged?—I was engaged in the sale of all descriptions of European manufactures, and in the shipment of Indian produce to this country.

1018. Will you name them?—The sale of all kinds of cotton and woollen goods, and copper, lead, and iron, and spelter also to a considerable extent; and there were glass and earthenware, and other manufactures suitable to Europeans, sent out in more limited quantities; and the returns were in sugar and rice, and indigo and coffee (not very much coffee from Calcutta), saltpetre, cotton, and occasionally a little silk; but I did not do much in silk.

1019. Any lac dye?—Yes; I shipped considerable quantities of it.

1020. Did

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don of the houses in India. I have no partnership concern with any house in London.

2342. With respect to the speculation in wine of which you spoke, can you give any further information to the Committee upon the subject?—I understood that it proved very inferior in quality; and that some of it was sent home by Sir Evan Nepean, the governor of Bombay, of a quality so indifferent, that it was almost unsaleable in India, and did not bring near prime cost.

2343. Is it your object to show that the Company exported the article without due consideration of the profit to themselves, with a view to injure the private traders?—It really seemed to bear that complexion, when coupled with the Chairman's threat, because it was a new article of trade with them.

2344. Had they been before in the habit of exporting wine?—No; the trade in it was chiefly carried on by the captains and officers of their own ships, previously to the period to which I allude.

2345. Is it your opinion that the trade of India would be conducted with more security and more advantage, if the sovereign power of India were entirely debarred from any competition in that trade, other than what may arise from any necessity derived from their character as sovereigns?—That has always been my decided opinion, and is at this moment my firm conviction. I am perfectly satisfied that the separation of those two characters in the Company which are now combined, would be attended with incalculable good effects, not only to the natives of India, and the merchants there and in this country, but also to the Company themselves. Those sentiments I have always expressed. I did so during the discussions in the year 1813; I have done so upon every occasion since, and I continue to hold them most strongly. In saying this, I beg to add, that it is with no hostile feeling towards the Company or their Directors. I have a great stake in the Company's prosperity, I mean in the stock of the Company held by myself and family, and consequently, so far as my own individual interests are concerned, I should naturally be disposed to support all those measures which might tend to their real prosperity; but, whatever effect my opinions upon those subjects may have upon the interests of the Company, I consider it of little importance compared with the welfare of India and the happiness of its native population, to which, if I know myself, I would sacrifice every personal consideration.

2346. Do not you think it must be attended with great danger to merchants to carry on general commerce to any great extent, where they are liable to be in competition with a body who, from the amount of their capital and from the general character of their constitution, are indifferent about small profits?—Certainly; as I know from experience.

2347. Are you not of opinion that some extent of permission to trade is necessarily

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1020. Did you ship pepper?—Occasionally; but that goes more from the Coromandel and Malabar coast.

1021. When did the first import of cotton-twist take place?—In 1823 there was a small quantity sent: 1824 was, I believe, the first year in which any material quantity was sent; that was about 121,000 lbs. weight.

1022. What was the amount of the import of cotton-twist in 1828?—About 4,000,000 lbs. weight.

1023. What were the numbers of the twist sent out to India?—I have received all numbers, from very low ones, 12 and 14 and 16, up to No. 150; but the principal consumption is between Nos. 30 and 40.

1024. What kind of cloth would be made from Nos. 30 and 40?—The cloth it makes is similar to our shirting cloth.

1025. The lower numbers are the coarsest, and the higher the finest?—Yes, just so.

1026. Had any attempts been made to introduce cotton-twist for the ten years from 1814 to 1824?—Yes, repeated attempts had been made, but they had not been successful before that.

1027. Why?—I suppose from the price being too high for it to come within the means of the natives to purchase it. I should state also, that I saw a letter from Calcutta before I went there, stating that the English twist was quite unfitted for the native use.

1028. In what year did you see that return?—I believe in the year 1818; but a few years afterwards, when the price had materially fallen, it began to be introduced, and has been since so much more extensively introduced, that there appears to be no foundation for that opinion.

1029. Was the fall in the price of cotton-twist in this country the reason it was more introduced into India?—I apprehend so.

1030. Who are the purchasers of cotton-twist; what description of persons in India?—We sell to the native merchants, who purchase all kinds of cotton goods of us.

1031. Do they sell them to the native manufacturers?—Yes.

1032. Is there any machinery made use of, except that to which the natives have been accustomed?—No; I believe no European machinery at all.

1033. Is there any improvement of the native machinery you have heard of?—I am not aware of any; I have no opportunity of judging.

1034. If the East-India Company had continued to enjoy the monopoly they did previous to 1814, are you of opinion that the same quantity of cotton-twist would have been imported as has been imported under the present circumstances?—I should think not.

1035. Have you had any complaints from the natives of the quality of the goods made from British twist?—Yes; I have heard of very considerable complaints

necessarily required by the Company in their quality as sovereigns in India? —I really cannot see it; I think not. I know that it is stated by the Company, that they are under the necessity of carrying on what they call a remittance trade from India to this country; but I have always been of opinion that such remittance would be infinitely better conducted through the medium of the private trade, than by the Company themselves, even to a larger amount than they require for their political payments in England. I think it is incalculable the extent to which the trade between this country and India might be carried, if the Company were out of it, and a fair scale of duties established by Parliament.

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2348. Should you not apprehend that, in consequence of the limited number of wealthy houses of trade at the different presidencies of India, the Company, as a body having sovereign power, would be constantly having combinations made against them, by which they would be very much imposed upon, if they had not the means of occasionally trading for the purpose of their remittances?—I am not aware of such combinations being usual in India. I have heard of such combinations in this country on the part of capitalists against the Government, but I never heard of them in India.

2349. Do not you think it is possible that the absence of those combinations in India may arise from the parties knowing the power of the Company to trade themselves, if necessary?—No, I believe that the disposition of the European and native merchants in India towards the Company is amicable and liberal, and would be more so, if all clashing of interests were removed, by the Company having no concern in trade in or with India.

2350. Are you not of opinion, that the most amicable and most liberal merchants will, in prosecuting their own trade to the best advantage, now and then use those powers which they have of forcing any profit that they may be able by combination to force?—I have not been accustomed to consider it so in India; at least during my residence in that country I always found the merchants, both European and native, disposed to act fairly and liberally towards the Company and each other.

2351. Are you therefore of opinion, that if Parliament were by a law to prohibit any commercial adventure on the part of the East-India Company, it would be a benefit to the general trade of India, and no injury to the Company in the exercise of its sovereign power?—I am decidedly of that opinion; and that it would be most advantageous to the Company in every point of view, as well as to the native population.

2352. Is the assistance which you mention to have been granted liberally by the government in India to the merchants, but which you apprehend to have been disapproved at home, the sort of assistance which one commercial body lends to another, or is it the assistance which is due from the sovereign power of a country towards the merchants living under its rule?—The assistance alluded to was, I understand, given in advances of money upon
2 F 2
deposits

complaints being made by the natives, that the goods made from British twist were not so durable as their own. 3 March 1831.

M. Gisborne, Esq.

1036. What do you consider to be the cause of that?—Because the twist sent out has been principally of an inferior quality: some parcels of very superior quality have been sent out, but they would not bring in Bengal a price proportioned to their increased cost here. I believe that the twist which has been sent out has been what is called weft twist principally, and I believe has been used by them for warp as well as weft.

1037. It requires a superior quality of twist?—Yes, for warp.

1038. Has the importation of British cotton manufactures interfered materially with the same branch of Indian manufacture?—It must have interfered to a certain extent; but the whole quantity of English cotton goods sent to that country is so small, compared to the consumption of the population, that I should suppose it cannot have very materially interfered.

1039. Has not the importation of British cotton-twist into India contributed in some measure to counterbalance the disadvantages of the importation of cotton cloth?—The cotton-twist sent out must, of course, have furnished employment for the Indian weavers.

1040. Has it interfered with the coarser Indian goods?—No, I believe not at all, scarcely.

1041. Has not the present price of cotton manufactures in many countries in Europe, and in the United States of America, contributed to the falling off of the manufacture of Indian cottons?—Yes, it must have materially contributed to it, as Indian cotton goods used to be shipped in large quantities to the ports of Europe, and to South America, where they have now nearly been superseded by the manufactures of this country, and of other countries.

1042. Has much distress been produced to the Indian weavers by the import of British cottons?—I have not been in the way of hearing of much; it must have produced partial distress at the time, no doubt.

1043. Were you ever in the district of Dacca?—No, I never was.

1044. Have you not heard that distress, to a very great extent, prevailed in Dacca among the weavers for a very long time?—No, I was not aware of that.

1045. Are the Indian weavers employed in other trades, as fishermen, and so on?—I understand they are, both as agriculturists, and fishermen on the parts of the river and the coast.

1046. They do not confine themselves to weaving cotton, as persons do in this country?—So I understand.

1047. In what commodities did you make your returns from India?—In cotton, saltpetre, rice, sugar, indigo, silk, and sometimes in some coffee, a little pepper and lac dye, and shell lac.

N

1048. Had

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*Sir C. Forbes,
Bart.*

deposits of the Company's and other securities, fully protecting the Company from any risk of loss.

2353. Of what nature was the assistance that was required by the merchants at Calcutta?—The Committee are aware that a very extensive failure took place lately at Calcutta, the house of Palmer and Co., which naturally excited great alarm in the minds of all descriptions of persons there, Europeans and natives; a run was consequently made upon many of the most respectable houses, one or two in particular, who upon application to the Government, received from Lord William Bentinck the most ready and handsome assistance, which enabled them, with their own resources, in the course of two or three months to pay off nearly a million sterling. By these means confidence was restored, and things are, I hope, again going on well. I have understood, however, that the assistance thus afforded was disapproved of by the Court of Directors, and, as already observed, that a proposition was made to order the publication before mentioned in the Calcutta Gazette.

2354. What effect would that publication have in India?—I should think one of the most prejudicial nature; as much so as if the Government, or the Bank of England, were to publish in the London Gazette, that they would, under no circumstances, afford any assistance whatever to the merchants or bankers of this country.

2355. Will you state how you got this information of an intended procedure on the part of the Court of Directors?—Such things will get out; I heard it from more than one quarter.

2356. Are not the natives in India in the habit of trusting the merchants and agents in Calcutta?—Very much so; all over India.

2357. Has not the practice of advancing money from the Government of Calcutta to the houses of agency prevailed to some extent?—I believe so, particularly at Calcutta.

2358. Did not great alarm prevail when the house of Palmer and Co. failed?—Undoubtedly.

2359. Were not many families, European and native, all but ruined by it?—I am afraid that many were completely so.

2360. How then are the natives of India to be put upon their guard against the expectation, that Government would advance money to the houses of agency, unless publicity is given to the order by which that practice is condemned?—I do not conceive that the natives give credit to the Europeans upon such grounds, and consequently that such caution is not necessary, nor called for.

2361. Did not the Government advance large sums of money for the support of Palmer and Co., which eventually had no effect?—I am not aware of that.

2362. Is

2362. Is not it the duty of all governments to protect their native population?—Undoubtedly it is. 18 April 1831.

2363. If they have suffered by trusting those houses of agency, is not it incumbent upon the authorities at home, if they shall cease to continue that practice, to inform the natives that it no longer prevails?—I believe the Court of Directors might safely leave that between the natives and the houses of agency.

Sir C. Forbes.
Bart.

2364. You have stated, that it would be to the advantage of the Company that they should cease to trade; are you aware that evidence was adduced last year before the Committee, taking the price of bullion, taking the price of bills, and looking also to the question of commerce, the Company have rather gained a larger sum by trade than they could by bullion, or by bills, or by both united?—I am not aware of that fact; but I see by a statement laid before the Committee a few days ago, that the loss upon their trade between India and this country has been very great. I do not think the bill operations of the Company have had a fair trial. I have often recommended the plan of opening their treasury here, as well as at Canton, for money against bills upon India, by which they might get funds to a large extent, and I have no doubt effect their remittances upon fair terms, if not generally better than they have hitherto done.

2365. You have been asked, whether, in case the Company were debarred carrying on trade, even a remittance-trade, hard terms might not be forced upon them by combinations of the merchants in India; and you have said that you do not think that would be the consequence, by reason of the liberality of the merchants of India, and their not being persons that would join in such a combination?—From my experience of them, they must be very much altered from what they were twenty years ago, if they would do so.

2366. Supposing their nature to be changed, and that they should not be so liberal as they were in your time, do you think they might not perhaps press upon the Government by making hard terms, if the Company were prevented from carrying on a remittance-trade?—There is no saying what might be the consequences of a change in their nature.

2367. If they were to be like the capitalists of the Royal Exchange, do you think there might not be some combination to force hard terms upon the Company in the way of remittance?—I do not wish to say any thing to reflect upon the capitalists of the Royal Exchange; but I confess I felt rather strongly that a line of conduct should be imputed to the merchants of India, which, from my experience, I could not allow they were capable of.

2368. If they were not persons of the liberal views you have stated, could you then answer for it, whether there might not be a combination that might press hardly upon the Government in the way of remittance?—It is impossible for me to answer such a question.

2369. If

in the West-Indies, and I have seen some sugar produced much superior in quality to that generally sent. 3 March 1831.

1060. By whom produced?—By the natives in the district of Burdwan. I have occasionally bought a small quantity of it, and sent it home; but it was generally at a cost too high to make it a profitable remittance. *M. Gisborne, Esq.*

1061. What was the cause of that being so much better?—It was because it had undergone an additional process: they called it twice-boiled sugar, but what the exact process it went through was I do not know. The grain was much larger and much better than that of common Bengal sugar.

1062. Did you hear that there was a great loss sustained by twice boiling it?—I only infer that from the increased cost of it.

1063. What is the quality of Bengal sugar, compared with the sugar of China and Siam?—It is very considerably inferior to the sugar of China and Siam.

1064. Is that on account of the manufacture being better in China?—The Chinese are much more skilful in the manufacture of sugar than the Bengalese are.

1065. Do the Chinese manufacture the sugar in Siam?—I do not know that; they manufacture the sugar in Java principally.

1066. Has the exportation of rice from Bengal increased lately?—Very much so indeed within the last three or four years; principally, I believe, owing to the invention of some machinery for freeing it from the husk after it arrives in this country. It used to arrive with a great deal of dust, and a great deal broken in the grain, and much inferior in colour to the American rice; whereas now, I believe, by coming in the husk, it arrives with the grains unbroken, and it can be freed in this country so as to look fresh and bright, as the American rice has done. There has also been a reduction of duty, which has tended to reduce the price of it.

1067. Supposing the rice had been cleaned in India as it is in Carolina, would it have come in in greater quantities?—If it could be cleaned in India as it is in Carolina, so as to be brought clean home, no doubt it would be taken in greater quantities.

1068. What is the duty upon rice now?—I do not know precisely, but there has been a considerable reduction of the duty; and the export from Calcutta to this country has been, I believe, five times as much in the last three or four years as it was in the previous three or four.

1069. Is the machinery for cleaning it of modern invention?—Yes; and I believe is confined to few parties in this country, who have mills for that purpose.

1070. Was it broken by being cleaned in India?—Yes, and, in consequence, of less value, for they had to clean it from the dust and particles before they could sell it.

18 April 1881.

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Bart.

2369. If there was a combination, would not their first object be to raise the price of remittance as against the Company?—Possibly it might; but I believe that of late years the number of merchants and agents has been much extended, and that such combinations, if ever practicable, would from the increase of houses at the different presidencies, now be impossible.

2370. Without any direct combination on the part of the merchants, would there not be a natural combination, from the general knowledge there would be of the demands of the Company to make remittances?—I think the competition would be so extensive that such combinations would be impossible. By opening the trade to the extent that it has already been opened, such a variety of new interests have been thrown into India as to put it out of the power of any set of men to combine effectually in that way.

2371. Is not the greater part of the business of Bombay in the hands of a very few houses?—The greater part of the money agency is in the hands of the old houses, perhaps two or three.

2372. Would not they be the persons that would have to deal with the Company in case they required remittances?—I do not know that; they act as bankers and agents, more than traders, and are more in the way of buying than selling bills, except for the accommodation of their own constituents. There are also many new houses at Bombay, which manage consignments from this country; and the native merchants carry on a considerable trade with England.

2373. Would not the natural consequence of this trade of remittance ceasing be to create an unusual demand for bills on the part of the Company?—Undoubtedly it would; but there are such various modes of effecting remittances from India to England, that I think they would always be able to accomplish them on fair terms. In the first place, by opening their treasury in Leadenhall-street for money against bills upon India at the current rate of exchange; in the next place, by receiving cash, as they now do at Canton, for bills upon India, for their tea investments; and in the third place, by advancing money in India to the merchants trading to this country and to China, upon the security of their goods. By these means, I should think the Company would eventually have it more in their power to dictate terms to the merchants, than the merchants would to the Company; particularly as they might, in cases of necessity, have recourse to bullion remittances occasionally.

2374. Are you not supposing that the Company's trade to China continues upon the same footing that it is on now?—Not their trade from India to China. I am decidedly against that. What I am anxious to see is, that they should altogether abandon their commercial character in India, and carry on no trade, either from India to China, or from India to Europe.

2375. What do you say with respect to their trade from China to Europe?—I am decidedly of opinion that it ought to remain with the Company.

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3 March 1831.

M. Gisborne, Esq.

1071. Does indigo form a staple article of return from Calcutta to Europe?—It does.

1072. When was it first imported into this country to any extent?—I believe it commenced from India about forty years ago, from what I have seen stated upon the subject; but it has now so greatly increased in extent as almost to have superseded all other indigos.

1073. Do you recollect what it was in 1813 or 1814, as compared with what it is now?—I do not think I can state that with any accuracy.

1074. Have you imported much lac dye?—A considerable quantity.

1075. How was lac dye discovered?—It was discovered by some Europeans who were in the interior of the country in India.

1076. What is stick lac?—Stick lac is the gum, with the insect or egg of the insect in it, from which the lac dye is made. The insect forms a gum on the tree, and deposits its eggs in it, and it is collected by the persons who manufacture it from the trees, and the dyeing particles separated from the gummy particles, and the gum is made into shell lac.

1077. Can you describe shortly how it is separated?—I cannot.

1078. The discovery of the easy process of separating the lac dye from the stick lac was made in 1814 or 1815, was it not?—I believe it was. It is a process not very difficult, as it has been very extensively practised both by Armenians and others.

1079. For what is lac dye chiefly fit?—In the dyeing, I believe, of scarlet cloths.

1080. What article has it superseded in the dyeing of scarlet?—I suppose it is used where cochineal would have been used; but it is not adapted, I believe, for the very finest dyes.

1081. Has it affected the price of cochineal?—I believe lac dye and cochineal have both acted on each other. The price of cochineal has fallen to about one-fourth of what it was ten or twelve years ago, but the imports have materially increased, which may have tended to its decline.

1082. What quantity of cochineal is imported from Bengal?—None from Bengal.

1083. There is a small quantity of cochineal in Bengal, is there not?—I have not seen it there. I understand that the insect is there, but I have not seen any of it there.

1084. What do you consider to be the principal obstacles to the extension of commercial intercourse between Great Britain and India?—The want of returns more suited to the markets of Great Britain; the bad quality, generally, of the products of India.

1085. By what means could the quality of those returns be improved and their quantity increased?—I suppose that if the cultivation of them got
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I was so eighteen years ago, I have continued so ever since, and I am so at the present moment.

18 April 1831.

*Sir C. Forbes,
Bart.*

2376. In order to enable the Company to obtain the remittances which they now obtain, is not your reasoning upon that subject founded upon the facility of their obtaining remittances through China?—Undoubtedly, to a certain extent. I should regret to see the China trade taken out of its present channel. If it were taken out of the hands of the Company, and thrown open, I firmly believe that there would be great danger of losing it altogether.

2377. Supposing a remittance to take place from one country to another, is not it of necessity that such remittance must be made, either directly or indirectly, in the produce of the country from which the remittance is to be made?—Certainly.

2378. Supposing that to be the case, would not the remittance be made easier if the trade were larger, and if the terms upon which the trade were carried on were cheaper?—No doubt; but in seeking for the extension of the trade you might lose it altogether.

2379. Supposing the monopoly of the trade of China to be removed from the Company, and that that trade was to continue in the hands of the private merchants, and that it were to be considerably increased, do you not conceive that there would be a greater facility in obtaining remittances from India to England than exists at the present moment?—I should say that would be a matter of great doubt; and that where a certainty of good, to the extent which now exists, is within our reach, we should prefer it to running the risk of throwing the trade open.

2380. If the trade is considerably augmented, would there not be a greater facility in making remittances from India by that means?—No doubt of it, if you were sure of retaining that trade; but in making the experiment you might lose the trade altogether.

2381. Is it the habit of other Governments to make their remittances through the medium of trade carried on directly by themselves?—I believe that, to a certain extent, this very objectionable system is in force between the island of Ceylon and Great Britain; and I consider it a most important fact, which it would be well worth the attention of the Committee to receive information upon, connected as the interests of Ceylon are with those of India generally, and trading as they do with each other. I have it in my power to produce to the Committee evidence upon this subject, which I consider to be of great importance; I mean the evidence of Mr. Stewart, who was last session a member of this Committee, and who, I believe, knows more of Ceylon, has made it more his study, and is able to give the Committee more correct information upon it than any person in this country. The government of Ceylon carry on a monopoly of the trade in cinnamon to England, and also in other articles on the island. The trade generally is heavily loaded with import and export duties, even upon the raw produce of the island. The people are discontented; they are subject to forced labour, under the Dutch law,

more extensively into the hands of Europeans, they would be very materially improved. 3 March 1831.

M. Gisborne, Esq

1086. Why?—The experiment I have mentioned in cotton shows that one article could be materially improved; and no doubt sugar, if there were European machinery used in the manufacture of it, might be materially improved also.

1087. Could the quantity of indigo be much increased?—The quantity of indigo could be increased, no doubt; but at present the quantity supplied seems to be as much as is required in Europe.

1088. Do you conceive that the free trade in India has been profitably or unprofitably conducted during the twelve years you have been engaged in it?—There have been considerable fluctuations; but I consider that upon the whole it must have been a profitable trade, from the immense increase that has taken place.

1089. How has it been to your own house?—It was profitable, so far as I was concerned in it.

1090. What is the opinion entertained by the mercantile community of Calcutta of the character of the East-India Company and its commercial acts, when they act as merchants?—I suppose it is generally thought that it is impossible for a large company and government together to act well as merchants.

1091. You proceeded first to Java in 1818; had you previously obtained a license from the East-India Company, the Board of Control, or the government of the Netherlands?—I did not obtain any license at all to go to Java; it was under the Dutch government, and therefore I required no license from the East-India Company.

1092. On your arrival in Java, was there any license demanded, or any questions asked of you?—No license was demanded: I had to appear at the police office and announce my arrival, and mention where I was residing.

1093. When you proceeded into the interior, had you to provide yourself with a passport?—Yes; I had to apply for the permission of the government to proceed into the interior.

1094. Would a Dutch subject have had to make the same application for a passport?—I rather think he would.

1095. During your progress through the interior, were you detained or delayed in any way by the inspection of your passport?—Not materially: I was occasionally called upon to produce it.

1096. Did you suffer any inconvenience from that?—Nothing beyond a few minutes delay in places where I had to produce it; not more than a quarter of an hour.

1097. On your arrival from Java at Calcutta, was any demand made upon you there for a license or passport?—No.

1098. Did

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Bart.

law, and upon the whole, from what I learn, it is considered the worst colonial government under the sun.

2382. Did not they find that system in existence at the time when the King's Government took the administration of it?—The system of forced labour, compelling the poor people to labour from morning to night, and to raise cinnamon and other articles, to be taken from them at Government prices. To such an extent is this vile monopoly of cinnamon carried, that if any person has a garden, and a cinnamon-tree happens to spring up in it, he is not allowed to consider it his own, nor to remove it, but is compelled to nurse and rear it for the Government; and by the Dutch law, if a man is found cutting down a cinnamon-tree, he is liable to have his right hand cut off.

2383. Are you aware what the nature of the payments at home are, for which those large remittances of the Company are necessary?—Chiefly for paying the pensions and allowances of their retired servants, and other political charges, including interest upon the Indian debt to a certain extent.

2384. Are they payments which might by any alteration be made in India instead of in England?—That is a very important question, and I believe that such a principle has been in agitation.

2385. It being stated that the East-India Company having large remittances to make at home, cannot make them advantageously unless they have the power of trading, if those payments could be transferred to India, instead of making them at home, would not any necessity for the power of trading upon that account be done away?—No doubt it would, and such a system might perhaps be introduced in a certain degree prospectively; but it would be attended with great difficulty and inconvenience.

Jovis, 21^o die Aprilis, 1831.

Sir CHARLES FORBES, Bart. (a Member of the Committee) again examined.

21 April 1831.

Sir C. Forbes,
Bart.

2386. Do you wish to make any statement to the Committee with reference to your former evidence?—With the permission of the Committee I shall state what I conceive will set at rest the question as to any danger of combination being entered into by the merchants of India, and particularly those of Bombay, to impose hard terms upon the Company in making remittances to this country. It is well known that the revenues of Bombay are not sufficient to pay its expenses by a very large sum, at least one crore of rupees; so that, in fact, the Company would have no remittances to make from Bombay to this country. All their remittances must be made from Bengal, so long as there is no surplus revenue at Bombay; consequently the merchants there would have no opportunity of forcing their bills on England upon the Company, except on such terms as the Company thought proper to

3 March 1831. 1098. Did you apply for it afterwards?—I wrote home to England to have a license obtained for me, because I knew it was contrary to the regulations of the Company that a person should reside there without one; and I thought I might get into difficulty, possibly, unless I had one.

1099. Did you get one?—I did.

1100. What did you pay for it?—Fifteen guineas, I think.

1101. How long after you had been in India did you apply for that license?—I wrote home immediately after my arrival in Bengal for one.

1102. You met with no obstruction, either at that time or any other?—I met with no obstruction in getting that one. I subsequently had to apply for a license for a young man who was in Calcutta at the time, and came to be an assistant in my office, and the parties to whom I wrote in this country to procure the license, wrote out to me that the license had been refused, on the ground that no sufficient reasons were specified for his residence in India. I believe the application had been made for him as being there, without stating any reason for his residence there. I subsequently made an application for him to reside there as an assistant in my office, and the license was obtained.

1103. From whom did you obtain the license?—From the Directors.

1104. What did you pay for it?—I am not quite sure that I am correct, but I think about ten guineas.

1105. What was the nature of your own license?—I do not remember the nature of it, beyond its giving me permission to remain there as long as I complied with the laws of the country and conducted myself properly.

1106. How came your license to differ from his in the price of it?—I cannot tell, unless there may be a difference made in respect of a person going out as principal and as assistant; but I am not quite clear as to the sum paid.

1107. Do you know whether the license was obtained from the Board of Control or the East-India Directors?—I believe from the East-India Directors.

1108. Was the refusal in the first instance to grant the licenses to your assistant made by the East-India Directors or by the Board of Control?—By the East-India Directors.

1109. The license for your assistant was obtained on your statement that you would give him employment?—Yes.

1110. It is probable, in the first instance, it was refused because there was not that statement?—I presume it was.

1111. Do not you know that it is very material that an European, landing in India, should find employment as quickly as possible?—It certainly is.

1112. The

to take them. At the same time, if a favourable opportunity should occur of making remittances to England through Bombay, the Government could always draw on Bengal for that purpose; and by supplying the private traders with advances on consignments to this country, particularly the natives, who have shewn themselves much disposed to enter into it of late, they would have the power of outbidding the European merchants. Again, the Company could always resort to shipments of bullion, by which they would be enabled to regulate the exchange for bills to the rate of a fair comparative remittance. I would also beg to add, in explanation of the opinion I have given with regard to the Company withdrawing from the trade between India and England and China, that my object is, that they should abandon their commercial dealings of every description in India, their monopolies and all, leaving the trade, internally and externally, entirely in the hands of the private merchants, European and native, upon condition of their retaining the China trade.

21 April 1831.

Sir C. Forbes,
Bart.

2387. The whole China trade, or the tea trade exclusively?—I should say the tea trade to England exclusively, if it shall appear that the trade in other respects might be thrown open without the risk of losing it altogether, which I very much doubt.

2388. Does your opinion of the power of the Company to resist combination upon the part of merchants in the price of bills of exchange, depend at all upon their retaining exclusive possession of the tea trade of China?—I think so, undoubtedly, except so far as they might protect themselves by bullion remittances, which they would have always in their power, but not perhaps to so great an extent as they would require. As I have already stated, I think the Company ought to continue to receive money into their treasury at Canton for bills upon India, which they now do to a large amount, and bring home those funds through their tea investments, and also in bullion, as I learn they have done this season, to the extent of £150,000, being, I believe, the first time that they have brought home bullion from China.

2389. When you state that there would be danger of losing the trade from China, do you take into your consideration that a very large and increasing trade is carried on at the present moment by the Americans with the Chinese, without the intervention of any factory such as that which exists under the direction of the East-India Company?—Yes, I am quite aware of that.

2390. Are you also aware that a very large trade is carried on by the private traders between India and Canton?—No doubt of it.

2391. Has any serious interruption to either of those trades occurred since they have grown to the height they have now attained?—I believe many years ago an interruption took place, in consequence of one of the country ships having accidentally killed a Chinese in firing a salute; and some years ago an American seaman accidentally killed a Chinese; in both which

1112. The effect of want of employment is perhaps more injurious in that country than in any other?—I think it is, as far as I have had an opportunity of judging. 3 March, 1831.
M. Gisborne, Esq.

1113. Have you, since your return to England, applied for licenses for other persons?—Yes, I have, in several instances. Last year I had to apply for licenses for two ladies who were going out to India, one of them a married lady with two children, the other a single lady; in the first instance, there were some difficulties thrown in the way of my obtaining them. The married lady was the wife of an officer in the Company's service in Bengal; but when I applied at the India-House for the license, I was told that I must produce a letter from her husband, stating that he wanted to have her.

1114. What sums were demanded for these licenses?—I think at first I was told I should have to pay, if the license was obtained, £7 or seven guineas for each individual of the parties; but when this objection was made, and I was required to produce a letter from the husband, I happened in the mean time to learn from a friend that both the ladies were born in India, though of European parents, and I applied for them as born in India, and the licenses were given on the payment, I think, of £2 each person.

1115. Then you did not give any securities?—I had no securities to give, as they were born in India, and returning to their friends.

1116. Does not a very large proportion of the money paid go to cover the stamp on the bond?—I really do not know; but very probably it does.

1117. Have you, in other instances of application, had to enter into securities?—Yes, I had to enter into securities for two persons for whom I obtained licenses; two securities, of £500 each, for each party.

1118. For what were the securities taken?—For their good behaviour in India, and that they should not become burdensome to the Company.

1119. During your residence in Calcutta, did you know of any instances of any who were burdensome to the Company?—No, I did not.

1120. Have you not heard of persons being sent home at the Company's expense?—I do not recollect any instances of their being sent home at the Company's expense: I have heard that they might have been sent home, if found without license, and unemployed, as charter-party passengers. There were two instances, I believe, when I was in Calcutta, of persons being sent home by the government; whether at government expense, I do not know. Mr. Buckingham and another person, Mr. Arnott, I think, was his name.

1121. When a vessel goes to India, is it necessary to have a license?—Yes, it is.

1122. What is paid for that license?—That I do not know.

1123. When you proceeded to the upper provinces, were you obliged to furnish yourself with a passport?—No, I was not obliged; I merely applied to the postmaster of Calcutta to lay a dāk for me through the country, and it

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which cases, the innocent men were delivered up to the Canton government, and inhumanly strangled.

2392. Have not the interruptions to the trade carried on by the Company at Canton been more frequent and of longer duration than any interruptions which have occurred in the trade carried on by Indian free traders, or by the Americans?—It may be so; but I do not judge so much from what has taken place as from my apprehensions of what might take place in the event of an unrestricted opening of the trade, from the peculiar character of the Chinese, knowing it as I do. I was there forty years ago, and believe they are the same now as then, in every respect.

2393. In the event of the Company discontinuing their operations as traders in India, in consequence of the small number of commercial houses of opulence, might there not be a danger of facility being given to combination, which would throw difficulties in the way of the Company's remittances to Europe, and in that event do not you think it probable that the number of such houses in Calcutta would gradually increase?—Undoubtedly; in India generally.

2394. Must not the consequence of that necessarily be, that that danger would be proportionably diminished?—Certainly; if under any circumstances it could exist.

2395. If there was a considerable demand for bullion, by way of remittance, would not the price of bullion of course rise?—No doubt.

2396. Would not dear bullion, that is, bullion the least above the ordinary price, together with the cost of freight and insurance, make a bad remittance, generally speaking?—I believe, at present, it is the safest and the best. The current silver coin of India makes a fair remittance, and the gold a better; but it is not always procurable.

2397. Is not the exchange now lower than it ever was before?—It perhaps was never lower than it is now.

2398. Do you remember the exchange at Calcutta upon England at 2s. 8d. the sicca rupee?—I doubt not it may have been so, or even higher, because I have known it at that rate for the Bombay rupee, which is six and a half per cent. below the value of the sicca.

2399. Is not the remittance from Calcutta now 1s. 10d. the sicca rupee?—Perhaps the average exchange may be about 1s. 11d.; but I have heard of considerable remittances lately in good bills upon the first houses in London, at 2s.

2400. Is not the lowness of the exchange an inducement to make remittances in bullion?—No doubt of it.

2401. If the exchange was to rise, would not the remittance in bullion be less favourable?—Comparatively so, of course; but a remittance in the current coin would remain the same. It must be kept in mind, that the higher the

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was done : but I have frequently seen notifications in the Calcutta government gazette, that persons should furnish themselves with passports.

1124. Have you in any instance known those notifications attended to?—I have never known an instance of a person having a passport ; I have never heard of one.

1125. Did you suffer any inconvenience from not having a passport during your journey ?—Not at all.

1126. Do you know of any of your friends suffering inconvenience from going on such journeys without passports ?—Not at all.

1127. Then the notification appears to be a dead letter ?—As far as I have known, it was.

1128. Had you your license about you ?—No.

1129. And you were not asked for it ?—No ; but I was mostly known to the Company's civil servants whom I saw in travelling up the country.

1130. In travelling by palanquin were you supplied with provision ?—We had whatever provisions we wanted in the palanquin ; my provisions consisted principally of dry biscuit.

1131. Did you not require provisions in the villages you passed ?—Whatever provisions I wanted beyond those I had, were obtained at the different European stations, from friends with whom I stopped.

1132. Is it not usual, in travelling in India, to obtain an order to have provisions in the way at certain places ?—I am not aware of it in Bengal.

1133.—You have read the works of Bishop Heber ?—Yes ; he adverts to such a practice, principally in the Madras districts.

1134. In what part of the Bengal territory is the cotton sold in Calcutta grown ?—Several hundred miles up the country.

1135. Is it in the hilly district, or alluvial soil ?—I do not apprehend it can be in the hilly district.

1136. You state that the staple is very short ; is that owing to the sort of cotton cultivated, or the mode of cultivation ?—I believe that both are defective ; but that the improvement particularly wanted is the introduction of different seed, and a more frequent changing of the seed, as well as much greater attention to the cultivation of it.

1137. With respect to the cotton-twist which you state to be exported from this country to India, are many of the very highest numbers exported ?—None of the very highest, I believe. I did receive as high as 150 ; I have heard of as high a number as 200 exported, but in very small quantities.

1138. Up to what number do they carry it ?—I cannot say.

1139. Where is the twist principally woven into cloth, after its arrival in India ?—I believe it has never been introduced successfully farther than one or two hundred miles from Calcutta.

the rate of exchange the more favourable for the Company as remitters, I mean the more British money given for the rupee; and should it fall below a bullion remittance, they would always have it in their power to resort to that medium, so that they could never be compelled to take a remittance on more unfavourable terms than what bullion or coin would give them.

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2402. You must add freight and insurance:—Yes, although the Company never insures; but, adding freight and insurance, and even commission, it is found advantageous by private merchants and agents to send home bullion from India and China, and to draw against the proceeds at the present low rate of exchange for bills.

2403. If the Company were to give up trading, and not have the means of making remittances in bills, and to remit in bullion, would not the demand for bullion be more than it is now?—Of course; but the greater the demand the greater the supply would be. Bullion and dollars pour into India from all quarters; from China, from America, and, within the last eight or ten years, they have been sent from England to India, and would be so again, should commerce improve, and the exchange turn against England as heretofore.

2404. Do you think that bullion remittances could at all times be effected?—At all times, in bullion or coin.

2405. And that without straitening the circulation inconveniently?—Yes, particularly from Calcutta, where they have bank-paper in circulation; at Bombay there is none, and I hope never will be.

2406. Then no combination of merchants could subject the Company to any greater expense than that of remitting bullion?—Certainly not; whilst they would have it in their power to avail themselves of all favourable opportunities of making remittances by advances to the private merchants on shipments of goods, which they are making now, and on terms, I believe, more favourable than the houses at Calcutta can afford to make them.

2407. Then you do not contemplate they should make all their remittances in bullion, but only that they should have it in their power as a check against combination on the part of the merchants?—Yes; or rather that they should take whichever suited best.

2408. Supposing subsidies were paid by this country to a foreign country, and they were habitually continued, do you think it would be necessary that the Government of England should become traders?—No, I do not think so; and I believe that never has been the case.

2409. When you say that the Company should abandon all their trade and monopolies, do you allude also to the government monopolies of opium and salt?—Undoubtedly; I cannot draw any distinction between their trade and their monopolies, nor between the Company as sovereigns, and the Company as merchants.

1140. Is the cloth made from that twist worn generally by the lowest class of natives, or by what description?—No, not by the lowest class; the lower class wear a heavier sort of cloth, in which we have not at all interfered with them in the manufacture. 3 March 1831.
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1141. Is it by the highest class, or the middling order?—By the middling order, and I should think rather by the higher classes.

1142. Is it worked up in the same looms that their own twist used to be worked up in?—Yes; they have no European machinery.

1143. No improvement has taken place in their machinery of late years?—Not that I am aware of; but I am not acquainted with their machinery.

1144. Have you seen the machinery for making sugar?—I believe I have seen a sugar-mill, and I have heard one described.

1145. Is it not one of a very inferior description?—Of the lowest description possible; merely a kind of wooden, hollow cylinder to receive the cane, with a large post in the middle of it, which is pulled round by a bullock, and squeezes out the juice.

1146. You have stated that the general opinion in Calcutta is, that the Company do not carry on their mercantile transactions with any very great advantage, either to themselves or others?—I believe that is the general opinion.

1147. Will you state the grounds of that opinion?—Principally because it was found that the prices of all commodities in which they interfered were driven up to rates which made them unprofitable to those who had to deal in them, and their monopolies in some branches of trade altogether put an end to the dealings of private merchants.

1148. To what branches do you advert?—The export to England in silk, which is almost altogether in the hands of the Company.

1149. Is there any other in which they possess a monopoly?—They have a monopoly of opium, which is exported to China: they have the salt monopoly.

1150. Do you know whether the commercial residents of the Company act as agents for any other parties except the Company?—I believe they have been occasionally employed by other parties to act as agents.

1151. Do you know at all the commission they charge for acting?—I do not.

1152. You have stated the Chinese and Siamese sugars to be superior to the Bengal; do the Chinese and Siamese sugars find their way to this country?—I do not know whether they would be admitted into this country.

1153. If you were allowed to export the raw products of India to China, would that facilitate your payment for the goods imported from England into India?—That must most materially facilitate it, for it would open to us all the products of China as a means of remittance to this country.

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2410. Are you not aware that any profit that the Company make upon their trade goes to the payment of their dividends, and any profit they make upon the salt and opium does not go to the dividends, but that it goes to a fund which is more peculiarly for the benefit of the government?—I believe it is much the same thing whether it goes into the right or left-hand pocket.

2411. Do you conceive that it would be possible, in any other way than by monopoly, to raise, as it was raised in 1829-30, £1,931,000 from salt, and £1,757,000 from opium?—I think it might be raised, in due time, to perhaps as large, if not a larger amount, through a much less objectionable medium, through the medium of increased and increasing revenues and customs, upon an increased and flourishing trade, carried on by an improved and improving population, having perfect confidence that they would in no way be interfered with by the Company in their operations, either agricultural or commercial; and that under such a system, if happily it shall be introduced, the prosperity of India would rise to a degree incalculable, and consequently in every way tend to the advantage as well as the credit of its rulers.

2412. Do you mean that this revenue of customs would be raised upon those particular articles, or that there would follow such a general improvement of the condition of the people as would increase the general revenue of customs?—Partly both.

2413. Are you aware that the profits of the customs now are not more than one-fifth of the joint amount of the salt and opium monopolies?—It is very probable that may be the case; the greater the latter, the less the former.

2414. Then you conceive that the customs revenue could be raised to six times its present amount?—I can only state, as an example in favour of my argument, that, when I went to India forty years ago, the duties were six per cent. upon all imports throughout India. Lord Cornwallis very judiciously lowered them to three per cent., and I believe in the course of eight or ten years after that reduction, the revenue was more than doubled.

2415. Do you think it would be politic to reduce the customs below two and a half per cent., which is the present rate of duty, with benefit to the revenue?—Perhaps not; on the contrary, under a more liberal system generally they might be raised.

2416. Then the same advantage could not now be derived from those regulations of Lord Cornwallis, reducing the duties?—No; but I am speaking with reference to the monopolies, that from the enormous price of the article of salt, for instance, in Bengal, it is beyond the reach of many of the natives. It is well known that many of the natives cannot afford to buy salt to eat with their rice.

2417. In what manner, by the abolition of the salt monopoly, would you increase the amount of the receipt of the customs?—In Bengal I would abandon the salt-works altogether, and allow it to be imported on paying a duty; it could afford to pay a handsome duty, and would yield a handsome revenue

3 March 1831. 1154. Are you of opinion that the trade of India might be considerably increased by throwing open the China trade to the merchants of England generally?—I am undoubtedly of that opinion.
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1155. Will you state the grounds on which you found that opinion?—If the China trade to this country was opened to the merchants of England generally, we should have the means, as opportunity offered, of shipping the produce of Bengal to China, which is extensively done now, both in cotton, saltpetre, and opium, and having the proceeds of those things reinvested in tea, or silk, or nankeens, and other articles in China, for shipment to this country.

1156. In the present trade from India to China, is there any amount of returns in silver?—I believe as much as from 3,000,000 to 4,000,000 dollars is annually remitted back in silver to India from China.

1157. Might not the same ship which is engaged in carrying out British manufactures to India, also be engaged in the trade from India to China, and afterwards from China to England, supposing a free trade established?—Certainly, if the trade was free.

1158. At the same time that there is an exportation of silver from China to India, is there not an import of silver into China yearly?—There is yearly a very considerable import of silver into China.

1159. Can you state the extent of it?—I cannot; but the Americans, I believe, import silver largely into China, to pay for the cargoes they take from China.

1160. Are not the Indian cotton manufactures softer and more durable than the English?—They are more durable, and perhaps their muslins may be of a softer texture.

1161. Does that not proceed from their being spun with the hand instead of machinery?—I think it probably does.

1162. Are you aware of the process of spinning the cotton thread of the finer qualities in India?—No; except by having heard that the very finest of all is spun under water.

1163. Is not the spinning of cotton thread the chief employment of the women?—I believe it is.

1164. Has stick lac not been in use in India from time immemorial among the natives as a dye?—Not as a dye; I should think the lac has been used very much as a varnish.

1165. Is it imported from Pegu?—I have known very fine stick lac imported from Pegu into Calcutta.

1166. Was not stick lac previously imported in its original state from Pegu and other parts of India into Great Britain?—I do not know as to Pegu; but from British India it was in considerable quantities. After I had been
in

revenue in a most unobjectionable manner: we could even send it from this country, in ships going to India, which instead of going, as they now do, almost empty, would load with salt.

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2418. Is there any other article, by the importation of which in place of a monopoly in the interior, you would propose to increase the revenue?—They might still lay an excise upon the salt, upon opium, and upon tobacco, as they do in this country, and upon spirits: they might collect a revenue in the shape of an excise instead of through the monopoly.

2419. Would it not depend upon the amount of that excise-duty whether it was an exchange that was favourable to the people or not?—No doubt it would; and I am aware that it would be attended with great expense in the collection.

2420. Do you think it would be safe to destroy those monopolies upon the speculation of increasing the revenue of customs?—Indeed, I think it would be most desirable at any rate to attempt it, and it might be done gradually; they might by degrees, for instance, relax the rigid monopoly of salt in Bengal, and then again upon the coast of Coromandel.

2421. If you were to import a great proportion of the supply of salt for Bengal from Madras, would not the prosperity of the people of the Madras presidency, of course, be increased by the additional labour?—No doubt.

2422. And in proportion to that, would not the population of Bengal that now exist upon their labour in preparing salt, be diminished?—From all I can understand that is a most objectionable mode of employing the people of Bengal: it is, in fact, worse than the worst description of slavery. But there are other gentlemen more competent than I am to speak upon that subject.

2423. Supposing there was a considerable import of salt from Madras into Bengal, do you not conceive there would be an export of rice or some other article from Bengal to Madras?—Unquestionably there would, in proportion.

2424. And therefore each province producing that which they could produce with the greatest advantage, would tend to the benefit of the whole?—No doubt of it, and that is the principle upon which I recommend the alteration of the system.

2425. What is the enhancement of the price of salt above the cost at which it might be produced in consequence of the monopoly?—I have heard 800 to 1,000 per cent. in Bengal.

2426. Is not the system of producing salt at the present moment at the mouth of the Ganges, a very oppressive servitude on the part of those that produce it?—I have always heard so, in a degree far more oppressive than the worst description of slavery in the West-Indies.

2427. Is not the article produced by that means of a very inferior description

in India several years, I had a quantity of stick lac sent back to me for sale in India which had come from India several years before. 3 March 1831.

1167. It is a much more bulky commodity in stick lac?—Yes, much more so than the dye. *M. Gisborne, Esq.*

1168. Are not the natives very much wedded to their own machinery in agriculture as well as in manufactures?—Yes, I believe they are.

1169. Are you aware of frequent attempts having been made to introduce English machinery unsuccessfully, in agriculture particularly?—I have not been myself cognizant of any attempts which have been made in either the one or the other.

1170. After the Europeans introduced the improved process of indigo manufacture, have you known the natives imitate it?—Oh yes. The natives make indigo upon the European plan, but still very inferior to that made by the Europeans, because they do not take anything like the same care in the process: they do not take care that the water is clean in which the plant is steeped; they have it mixed with sand and dirt, which is a most material injury to the quality; and they do not pay the requisite attention to the proper times of steeping, and of beating and boiling, on which the quality materially depends, so that the native indigo is always very inferior to that made by Europeans.

1171. As far as their prejudices are concerned, they have shown no objection to adopting the European system?—Not at all.

1172. You stated that you did not conceive the importation of British manufactures would materially interfere with those of the natives of India?—I have said I did not conceive that they had materially interfered.

1173. Are you aware what the importation was in India previous to 1814, and what it is now?—In the year 1815, the importation into the countries to the east of the Cape of Good Hope, of British white and printed goods, was about 800,000 yards, and in the year 1830, I think it was about 45,000,000 yards.

1174. You do not conceive that that materially interferes with those manufactured by the natives of India?—It must interfere to some extent, but still I think the quantity sent is very immaterial in comparison with the whole consumption of the country. I would mention one circumstance with regard to the importations of goods into India: the British manufacture, of course, interferes with the native goods; but the 4,000,000 pounds weight of twist which have been sent out to India would, I suppose, make half as many yards of cotton goods as all that we have imported into India within the last year.

1175. Then they have been deprived of the spinning of that?—They have been.

1176. Are you not of opinion that the use of British manufactures might be

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description?—I believe it is far inferior to the Coromandel coast-salt, or to the Bombay salt. Both shores produce a very fine salt, they are in fact covered with it: and on the Madras side it is extreme cruelty that a man cannot go to the sea-side, and take a handful of salt for his own use, without being subject to a heavy penalty.

2428. Do you mean to say that the persons concerned in the manufacture of salt are in the power of their masters, in the same way that the slaves in the West-Indies are?—Perhaps it would be well for them if they were so, they would be better taken care of.

2429. They are not then in the power of their masters in the same manner that the slaves in the West Indies are?—I believe they are not actually slaves, but they are so in every thing but the name.

2430. Will you state how?—I believe they are compelled to work for very low wages in the salt-pits, which is the most destructive to the health of man that can be imagined.

2431. Could a power be used to compel them to labour in the salt-pits as the slaves are compelled in the West-Indies to labour?—I have no doubt that it may be, and has been done.

2432. Do you know it?—Not of my own knowledge of those salt-pits, because I have never been there: but that the rattan, which is, perhaps, not much preferable to the whip, has been used in former times to force labour in India, I have no doubt, though it may not be the case now: it has been used even to the weavers.

2433. Do you not know that any person to whom such treatment was applied would find redress in the courts, according to the regulations of the East-India Company?—Perhaps so; but it is a very tedious and a very expensive thing to get redress in any country, and more especially in India.

2434. Have you any knowledge upon this subject, except from what you have heard?—I have not; but I have no doubt of it.

2435. Was there not, formerly, considerable trade carried on between Madras and Bengal, in the import of salt into Bengal, and the export of rice?—Certainly; in my time there was, and I hope it is not yet altogether gone.

2436. Are you aware that that has fallen off?—I believe so.

2437. Do you know on what account that has fallen off?—I suppose on account of the heavy duty on salt in Bengal, which has prevented the trade being carried on.

2438. Does not the duty amount almost to a prohibition?—I believe it does; that is to say, they are obliged to deliver the salt to the Company, and get so little for it as to be hardly worth the carriage.

2439. Is not it limited to a certain quantity?—Undoubtedly it is; that is the spirit of all the Company's monopolies. If they were to supply the market
equal

3 March 1831. be very greatly extended, if greater facilities were afforded for the returns to this country?—I certainly think so.

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1177. By lowering the duty on sugar and various other articles?—All lowering of duties, no doubt, would tend to that effect: but what is principally wanted is the improvement of the quality of the articles, the improvement of sugar and of cotton.

1178. Do you conceive that can be effected by any other means than the employment of European skill and capital in India?—I do not.

1179. Are you not aware that the Company have made many attempts, unsuccessfully, to improve the manufacture of sugar?—I have heard that the Company have made many attempts unsuccessfully.

1180. Have you ever seen a paper printed at the India-House upon that subject some years ago?—I have not; but the Company had been also unsuccessful in the introduction of British manufactures into India, till it was opened to the free trader.

1181. Are you not aware that the Company have made very considerable remittances to this country in specie of late years?—I believe they have.

1182. Have not the private merchants occasionally resorted to that means?—I believe it has been once or twice resorted to, but not at all extensively, I conceive.

1183. You refer to Calcutta?—I do.

1184. Supposing the manufacturing interests of India to suffer by an import of British manufacture into that country, would not the agricultural interests of India be compensated to an equal degree by the necessity of our purchasing their articles in payment for the goods so imported?—I think they would be more than compensated.

1185. What duties do the British manufactures pay on importation into Calcutta?—Two and a half per cent.

1186. Are you aware of the duty paid on the importation of Indian manufactures here?—It is very high.

1187. It is very high on silk?—Yes.

1188. On pepper it is 1s. a pound?—Yes.

1189. That is 300 per cent. on the prime cost?—Yes.

1190. Supposing the whole of those duties repealed, do you imagine there would be a considerable import of Indian manufactures into England?—I should think not very considerable.

1191. Supposing the ten per cent. were given as a bonus, instead of being paid as a duty, do you then think there would be a large import?—The import would be increased, no doubt; but I think the British manufactures would still drive out the Indian manufactures.

1192. When did you leave India?—In 1828.

1193. At

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equal to the demand, at a fair price, there is no saying to what extent the consumption would go: in the same manner that if you would allow the importation of sugar here from India at a fair duty, I think it is incalculable the quantity that would be consumed, by bringing it within the reach of the consumer. We see this in coffee, and in every article upon which the duty has been reduced.

2440. Are you of opinion that the destruction of those monopolies, and the opening of the commerce in India, would consist with the present system of regulations respecting access to India?—I confess that I am not aware of any great difficulty in obtaining access to India on the part of Europeans from this country. It may be otherwise generally, but in any case in which I have had occasion to apply to the Court of Directors, I have never found the least difficulty in obtaining permission. At the same time I should certainly be for all restrictions and difficulties being removed, as much as possible, consistently with a due regard to the welfare of the native population and the safety of the government.

2441. You are understood to be of opinion, that the revenue that would fall off in consequence of the destruction of these monopolies would be supplied by increased commercial speculation?—Undoubtedly, in due time.

2442. Do not you consider the present system regulating the access to India as an obstruction in the way of commercial speculation?—No doubt; any obstruction whatever must operate in a certain degree against the extension of trade.

2443. Are not you acquainted with parts of the country in which there are productions of coal and iron, and other things, which would be worked and brought into action if the settlement of Europeans was allowed?—I have no doubt of it. Indeed, I can see no objection to the settlement of Europeans of a certain description in India. I would not be for throwing open the sluice altogether, although my impression is, that even that would be attended with little or no inconvenience; but still I should be disposed to adopt such a measure with great precaution, because India is already fully peopled.

2444. Do you think the natives of India would like the unrestrained admission of Europeans into the interior?—As far as I can form an opinion, I should certainly think not; but I do not apprehend that any such concourse of people would resort to India as is generally supposed; I think the number would be very limited. It is a long and expensive voyage to India; very few, comparatively speaking, would be able to find their way there, except men of capital and respectability, from whom no danger nor inconvenience whatever could arise.

2445. Would not great benefit accrue to India from the introduction of capital and skill in its cultivation?—No doubt; particularly from the introduction of European skill. The native capital is considerable, if they had encouragement

1193. At what rate of interest were the Company borrowing money then ? 3 March 1831.
—At five and six per cent.

1194. Have you heard the rate at which they have been borrowing money during the last twelve months ; whether it exceeds that ?—I do not believe it exceeds that, but I am not quite sure. *M. Gishorne, Esq.*

1195. Are they not in the habit of issuing treasury bills at five per cent. in payment for their investment ?—There are treasury notes, called Company's paper, in Calcutta, at five per cent.

1196. They pass as cash ?—They do, deducting the interest.

1197. Those are issued at various times, without any restriction ?—I believe so.

1198. They answer all the purposes, in Calcutta, of cash to the Company ?—They do.

Lunæ, 7^o die Martii, 1831.

The Hon. G. M. FORTESCUE in the Chair.

PETER GORDON, Esq. again called in, and examined.

1199. HAVE you some papers which you wish to give in ?—This is a table containing the neirick prices, and the actual market prices of several articles. 7 March 1831.

1200. Will you explain the meaning of the word neirick ?—The same as tariff ; a book of rates. *P. Gordon, Esq.*

1201. By whom are those prices generally fixed ?—The neirick prices are fixed by the officers of government, the revenue police. Both these tables of prices were furnished to me by a native ; I believe he was the vakeel of a talook to the courts of the judge and of the collector, an agent of the talook attending at the cutcherries of the judge, and of the collector doing the business for the talook.

1202. Do those prices relate to the zillah of Madura ?—Yes.

1203. Do the market prices and the neirick prices vary considerably ?—They do.

1204. Will you mention one or two instances ?—Grass, four bundles, one coily fanam.

1205. What would be the market price ?—Half a coily fanam.

1206. Then

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*Sir C. Forbes,
Bart.*

encouragement to apply it, though I am afraid it has not been increasing of late years.

2446. To what cause do you attribute that?—So far as I can learn, the natives are over-taxed; their agriculture and internal commerce are over-taxed. I am afraid that the increase of revenue has always been the chief object of the governments in India. The Company carry on wars, and incur large additional debt; they then tax their subjects, and cut down the salaries of their servants, in order to pay the interest of that debt, always excepting the allowances of their governors and others high in rank, which are never touched, except it may be to increase them.

2447. Are you aware that an attempt was lately made at Bengal, on the part of some Europeans, to get up a petition from the natives against the settlement of British subjects in India?—I have heard so.

2448. You have stated, that the Company has increased the taxation of India, in consequence of the expense which they have incurred in wars; do you refer to any particular instance in which taxes have been increased under those circumstances?—I have stated, that the natural consequence of carrying on wars and increasing their debts is to raise additional revenue and reduce the expenditure. I believe I am borne out in that; and I will now state to the Committee an instance which came to my knowledge a few days ago of a proposed tax on imports into India, which will, I think, strike them very forcibly. I have in my hand a copy of a letter signed by W. H. Bannerman, Officiating Secretary to the Finance Committee at Calcutta, dated the 15th of November 1830: it is a circular which appears to have been addressed to the merchants at Calcutta to this effect:

“ Circular from the Finance Committee.

“ GENTLEMEN :

“ With reference to my letter to your address dated the 28th of July last, I am directed by the Finance Committee to state, that under the information they at present possess, they have it in contemplation to recommend that a general duty of ten per cent. be imposed on the import by sea, at the three presidencies, of the several metals noted in the margin,* and to request that, if any serious objection to the proposed modification of the tariff occur to you, you will favour them with a statement of the grounds of your opinions.

“ I have the honour to be, Gentlemen,

“ Calcutta,

“ Your most obedient servant,

“ Finance Committee Office,
“ 15 November, 1830.”

(Signed)

“ W. H. BANNERMAN,
“ Officiating Secretary.”

That is a duty which, I should say, would be almost tantamount to a prohibition; at least, it must greatly tend to injure the trade in those metals from this country to India.

2449. Is

* Copper, iron, lead, spelter, tin.

7 March 1831. 1206. Then the market price is less than the neirick price?—It is in that instance. Sheep, the first sort, one rupee two anas eight pice, the neirick price; the market price one rupee twelve anas.

[The Table was delivered in and read as follows:]

| Neirick Prices. | | | — | — | — | — | Market Prices, Actual. | | | | |
|----------------------------------|------------|-------------|---|----|----------|---------------------|------------------------|----------|----|--------|----|
| | | | | | R. A. P. | Coily, per Cash. | | R. A. P. | | Coily. | |
| Sheep | third sort | each . . | 0 | 8 | 0 | — | each . | 0 | 11 | 1 | 3½ |
| Ditto | second . | each . . | 0 | 14 | 0 | — | — | 0 | 15 | 10 | 5 |
| Ditto | first . . | each . . | 1 | 2 | 8 | — | — | 1 | 12 | 0 | 8 |
| Lamb | table. . | each . . | 0 | 2 | 5 | ¾ | — | 0 | 3 | 2 | 1 |
| Fowls | third. . | 6 | 0 | 2 | 5 | — | 4 | 0 | 3 | 2 | 1 |
| — | second . | 4 | 0 | 2 | 5 | — | 2 | 0 | 3 | 2 | 1 |
| — | first . . | 2 | 0 | 2 | 5 | — | * 1 | 0 | 2 | 0 | 5½ |
| Fowls' Eggs... | — | 20 | 0 | 2 | 5 | — | each . | — | — | — | 1½ |
| Grass | — | 4 bundles | 0 | 3 | 2 | 1 | each . | 0 | 1 | 7 | 3 |
| Ditto 3 cubits } round } | bullock . | 2 | 0 | 2 | 5 | ¾ | each . | 0 | 2 | 5 | ¾ |
| Firewood | — | 8 bundles | 0 | 3 | 2 | 1 | each . | 0 | 1 | 7 | ¾ |
| Coolies | — | ditto mills | 0 | 2 | 5 | ¾ | 10 mills | 0 | 2 | 5 | ¾ |
| Challies | — | each . . | — | — | — | 0 2 | each . | — | — | — | 2 |
| Pans | — | each . . | — | — | — | 0 4 | each . | — | — | — | 4 |
| Fowls | each . . | — | 0 | 0 | 5 | — | each . | 0 | 0 | 9½ | — |
| — | each . . | — | 0 | 0 | 7 | — | each . | 0 | 1 | 7 | — |
| — | each . . | — | 0 | 1 | 0 | — | each . | 0 | 2 | 0 | — |
| Eggs | each . . | — | 0 | 0 | 1½ | — | each . | 0 | 0 | 1½ | — |
| Grass | — | — | 0 | 0 | 9½ | — | each . | 0 | 1 | 7 | — |
| — | bullock . | — | 0 | 1 | 2½ | — | each . | 0 | 2 | 5 | — |
| Firewood | — | — | 0 | 0 | 5 | — | each . | 0 | 1 | 7 | — |

1207. Is there anything further you wish to state on this subject?—No; but the book before me contains a reference to some of the circumstances to which I have spoken relative to purveyance and other subjects. It is a note-book, commencing 1st January 1828.

JAMES RITCHIE, Esq. called in and examined.

J. Ritchie, Esq. 1208. You are a partner in the house of Ritchie, Finlay, and Co., of Bombay?—I am.

1209. When did you first go to India, how long did you reside there, and when did you return?—I went to India in 1816, and with the exception of two short trips to this country, and occasional visits to the interior, I resided there till last year.

1210. In what part of India have you principally resided, and what other parts of it have you visited?—I have resided principally in Bombay; I have visited

2449. Is not it probable that the opinion you have now expressed would be conveyed to government by those merchants?—It is very probable. I only produce this as a proof of the lengths to which they are disposed to go to raise revenue.

21 April 1831.

Sir C. Forbes,
Bart.

2450. If they should get such an increase of their customs as to enable them to relax their monopolies, would not it be a good thing?—If they would renounce their monopolies altogether, I think the trade might then be able to afford a higher rate of duty.

2451. With the exception of this, which is an instance in which the government consulted the merchants with respect to a measure of taxation, are you aware of any instance, during the present charter, in which the taxation has been raised?—Not upon the commerce; and I believe this could not be carried into effect without the sanction of the Court of Directors and the Board of Control.

2452. Are you not aware that, during the same period, orders have been sent from home, which have been obeyed, for considerably reducing the custom-duties, and also some of the inland-duties?—I am glad to hear it.

2453. Do you think that the same amount of revenue could be raised by any other arrangement of the taxes, which would press less upon the resources and the industry of the country?—I have already stated my opinion to be, that the revenue generally, in every branch, would increase by a relaxation of the government monopolies and imposts, according as the prosperity of the country advanced. It could not be expected all at once to produce that effect; it must be allowed time to work. The evil has long existed, and it cannot be expected that the consequences should cease suddenly; but that a gradual amelioration would take place I have not the least doubt, and to the full extent of my most sanguine wishes.

2454. When you stated that no other tax had been raised since the granting of the last charter, are you not aware that there was a stamp-tax imposed upon the inhabitants of Calcutta in the year 1827?—Undoubtedly. I thought the question referred to customs. The stamp-tax is a highly objectionable one, and has created more dissatisfaction than anything that ever occurred in India. In former times, it would have gone far to have produced an insurrection in the country. I have heard that an attempt was made many years ago to impose a house-tax, which was effectually resisted by the natives of Bengal.

2455. Was not a similar tax ordered to be imposed upon Madras and Bombay?—Orders to that effect were issued, but Sir Thomas Munro declined carrying them into effect at Madras, and they were arrested in their operation at Bombay, by the refusal of Chief Justice West to register the Government Regulation laying on the tax, one of the many good consequences which resulted to the island of Bombay from the administration of that able, upright, independent, but ill-used judge.

visited Malabar, and the countries between Malabar and Madras, and Calcutta; I also visited Guzerat and our own provinces. 7 March 1831.

J. Ritchie, Esq.

1211. During your whole residence in India, were you employed in commercial affairs?—I was.

1212. During your residence in Bombay, with what ports or countries did you carry on commercial intercourse?—With almost all the ports in the Company's limits, with Persia and with China, and also with the Cape of Good Hope.

1213. How many considerable European mercantile establishments are there at Bombay?—There are probably ten or twelve, I think, now: they have been increasing latterly.

1214. How many were there when you first went out?—Our house was the fifth.

1215. They had increased from four or five to twelve since 1816?—Yes.

1216. Were the four or five old-established houses?—Yes, they were.

1217. How many native houses of business are there in Bombay carrying on foreign trade?—A very great number, I cannot speak with any certainty.

1218. Of what class do the native merchants consist?—Parsees, Hindoos, and Mussulmen.

1219. Is it not occasionally the custom for some of the mercantile establishments to have a native partner?—I believe not. I never knew of any native partner in any principal European establishment; but there are often native partners in particular speculations in principal houses.

1220. What parties do you commonly use as brokers?—I believe the Parsees are the most numerous of the castes employed as brokers.

1221. What estimate have you formed of the relative general intelligence and commercial capacity of the different classes of native merchants?—I think the Parsees are the most intelligent.

1222. As compared with the Banians or Hindoo merchants of Calcutta?—I have not had much opportunity of forming an opinion upon that subject, but I think they are more intelligent than any of the Calcutta castes, natives.

1223. Describe to the Committee what the Parsees are?—They are the fire-worshippers who came over from Persia on the first irruption of the Mohammedans into that country; they are the remains of the original inhabitants of Persia, who then fled to India.

1224. Are they numerous?—They are very numerous.

1225. Are they for the most part free from the prejudices of caste, and other antipathies which belong to the Hindoo character?—Yes, they are.

1226. Do the native merchants of Bombay ever embark as supercargoes to foreign countries; and if so, to what countries?—They do very frequently, principally to China.

1227. Are those chiefly Parsees?—Chiefly the Parsees.

1228. Has

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2456. Was this stamp-duty altogether a new tax, or did it consist in the extension to the presidencies of taxes previously existing elsewhere?—I believe so, in Bengal; but it is equally obnoxious wherever it exists.

2457. Do you not believe, that considering the present resources of India, the taxation of that country is carried to its fullest possible extent?—I am afraid, generally speaking, far beyond its power to bear, and the consequence is a gradual falling off in the prosperity of its population.

2458. Are you not aware that some of the most important instances of the suspension of the trade of the East-India Company at Canton were on account of objects in which the private trade and the foreign trade were equally concerned with their own, namely, the reduction of the number of Hong merchants, and other acts of general oppression on the part of the Chinese government?—I have no doubt of that; and I believe the late interruption of the trade arose from an interference with the Chinese government on the part of the Company's supercargoes, at the instance of the Bombay government, who recommended to their consideration a memorial from the merchants of Bombay upon those subjects: and this brings to my recollection, that by the last accounts from China the trade was again very nearly stopped, in consequence of a fatal accident which happened in a rencontre between an American Captain and two Parsees, natives of Bombay, who had gone there in a private ship in the employ of private merchants. The supercargoes being called upon by the Chinese government, very properly refused to deliver up the men, and the consequence was a threatened stoppage of the trade, which, but for the vigorous and firm conduct of the Company's supercargoes, would no doubt have taken place. The two Parsees were sent back to Bombay to be tried there.

2459. Are you aware of any memorial that has recently been presented to the Board of Trade in this country by the East-India agents in London, respecting the duties?—I have in my hand copies of two such memorials, dated the 8th and the 31st of March 1831, addressed to the Lords Commissioners of the Board of Trade, upon the subject of the reduction and modification of the duties on East-India goods, which I beg permission to put in.

[*The same were delivered in, and are as follows:*]

To the Right Hon. the Lords Commissioners of His Majesty's Privy Council for Trade.

THE undersigned Merchants of London, interested in the trade with India, crave the consideration of your Lordships to the following Statement:

The reduction and modification of duties, and the fixing of them on certain admitted principles, being now of universal interest and discussion, permit us to draw your Lordships' attention to the predicament in these respects of articles of East-India produce. For this purpose we enclose a list thereof, with the market prices of each annexed, and their respective rates of duty. Comparing the duty with the price, it will be seen that the former is in many instances exorbitant; but a grievance common to all is, that they can only be imported into a few of the ports of the United Kingdom,

dom, and cannot be removed thence to other places coastwise, or in the interior (as goods from other countries can), without the aforesaid duties being in the first instance paid.

21 April 1831.

*Sir C. Forbes,
Bart.*

This is a regulation which materially impedes distribution and consumption, and consequently affects in proportion the receipt of revenue. We would notice, for example, three articles, which may be considered comforts, if not necessities of life to the poor, *viz.* tea, sugar and pepper. At present these commodities cannot be conveyed from the ports of landing to other ports or places not privileged to receive India goods, without the duties thereon being first wholly paid.

The evil of this regulation is threefold :

First, The trader is obliged to advance a sum of capital of from 100 to 400 per cent, above the cost-price of the articles before they can be distributed in the kingdom for general consumption.

Secondly, The price to consumers is enhanced, not only by the great amount of the duty, but by the profit, which must be returned on the employment of a capital twice or five times as large as would otherwise be necessary ; and,

Thirdly, These enhanced prices operate as a constant incentive to the grossest adulterations.

The ports of the United Kingdom into which India goods are now received and warehoused, are only twelve in number ; *viz.*

| | | | |
|----------|------------|---------------|--------------|
| Bristol. | Liverpool. | Greenock. | Dublin. |
| Goole. | London. | Leith. | Belfast, and |
| Hull. | Glasgow. | Port Glasgow. | Cork. |

The general warehousing ports of the Kingdom are sixty-six ; *viz.*

| | | | |
|--------------|--------------|----------------|---------------|
| Arundel. | Grimsby. | Shoreham. | Leith. |
| Barnstaple. | Hull. | Stockton. | Montrose. |
| Bideford. | Ipswich. | Sunderland. | Port Glasgow. |
| Boston. | Lancaster. | Swansea. | |
| Bridgewater. | Liverpool. | Weymouth. | Dublin. |
| Bristol. | London. | Whitby. | Belfast. |
| Chepstow. | Lynn. | Whitehaven. | Cork. |
| Chester. | Maldon. | Wisbeach. | Coleraine. |
| Chichester. | Milford. | Yarmouth. | Drogheda. |
| Colchester. | Newcastle. | | Dundalk. |
| Cowes. | Newhaven. | Aberdeen. | Galway. |
| Dartmouth. | Plymouth. | Borrowstoness. | Limerick. |
| Dover. | Poole. | Dumfries. | Londonderry. |
| Exeter. | Portsmouth. | Dundee. | Newry. |
| Falmouth. | Rochester. | Glasgow. | Sligo. |
| Gloucester. | Rye. | Grangemouth. | Waterford. |
| Goole. | Southampton. | Greenock. | Wexford. |

Besides very many other towns and places in the interior and along the coast, having regular establishments of customs or excise.

There is consequently no good reason why East-India goods should not be removed under bond from one town to any other, where such an establishment of officers now exists, and certainly none why they should not be removed in like manner, and to such ports and places as is permitted to all other foreign merchandize. Were this to be allowed, and the duties at the same time on the before-mentioned articles to be reduced, there can, we submit, be no doubt that the home consumption thereof would

21 April 1831.

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would be vastly increased, the revenue improved, and the comforts of the lower and middling classes greatly promoted.

Traders (country dealers more particularly) would also be greatly relieved by being enabled to purchase and to keep up sufficient stocks of these articles with a far less outlay of capital. The question of capital, indeed, is of so much importance in the consideration of this matter, seeing that small dealers universally, ever since the memorable alteration of the currency, can no longer look for aid to those artificial means they formerly derived from banks, and a redundant paper circulation.

It is further obvious, that the extension of this privilege to articles employed in the manufactures of the country would be of essential use in promoting productive industry. Finally, the privilege has been enjoyed for some years by Londonderry.

The experiment may therefore be said to have been already tried, and to have succeeded, but no good reason, certainly no apparent reason, exists for exclusively limiting the indulgence to this single port.

| | | |
|----------|---------------------------------------|---|
| (Signed) | <i>Baring, Brothers, & Co.</i> | <i>Palmers, Mackillop, & Co.</i> |
| | <i>Inglis, Forbes, & Co.</i> | <i>Rickards, Mackintosh, & Co.</i> |
| | <i>Cockerell, Trail, & Co.</i> | <i>Small, Colquhoun, & Co.</i> |
| | <i>Fairlie, Bonham, & Co.</i> | <i>Gregson, Melville, & Knight.</i> |
| | <i>Fletcher, Alexander, & Co.</i> | <i>Rawson, Holdsworth, & Co.</i> |
| | <i>Finlay, Hodgson, & Co.</i> | |

London, 8th March 1831.

To the Right Hon. the Lords Commissioners of His Majesty's Privy Council for Trade.

THE undersigned Merchants of London interested in the Trade with India, in reference to their interview with your Lordships on the 8th instant, beg to offer such remarks as they deem likely to promote the reduction or modification of duties on articles of East-Indian produce.

The present scale of duties on East-India goods shows a variation from less than 1 per cent. up to 400 per cent. on the present value of many important commodities; on some minor articles the duty varies from 1 per cent. to 1,000 per cent., and in one trifling instance the duty is 3,000 per cent. It is evident such a scale requires revision, equally for the benefit of the revenue, and the encouragement of trade.

The inconsistency of the present scale of duties is apparent on the slightest inspection of the table. Why should unrefined borax, which is used extensively in potteries and in the smelting of metals, pay a duty of 50 per cent., while the next article in the list, camphor, a drug, pays only 10 per cent.? Cinnamon, classed with luxuries, pays only 6 per cent.; pepper, an article of general consumption, pays 400 per cent.; shell-lac, made from seed-lac, the refuse of lac-dye, and of which the consumption is increasing in various branches of manufacture, is charged a duty of 20 per cent. *ad val.*, while lac-dye is charged only a duty of 5 per cent., also *ad val.*

Accompanying the present remarks is a list, marked (A.), of articles subject to excessive duties; to each article is annexed the market value, with reference to which a table of new duties, marked (B.), is submitted. Under the existing duties, the amount of revenue on all these articles is only £40,000 (exclusive of £95,000 on pepper), and with the proposed moderate duties an increase of consumption may be fairly

fairly expected, to counterbalance any deficiency arising from so desirable an alteration.

21 April 1891.

Sir C. Forbes,
Bart.

A fixed duty is considered preferable to an *ad val.* duty; the revenue officer not being competent to estimate correctly the value of goods, Government is frequently defrauded, and the fair trader made to sustain an unequal competition with those who do not scruple to take advantage of the customs, by declaring a fictitious value. In the new scale now submitted, the guide has been to follow several of the established rates, by charging about 5 per cent. on materials of manufacture, 25 per cent. on luxuries, and 30 per cent. on drugs.

The proposed reduction of duty on the last class will appear very considerable when compared with the present scale, otherwise still lower rates would be recommended. The proposed new duties are calculated to fall on the average value; inferior qualities pay more in proportion; but this is an inducement to improve the quality of goods, and is not therefore objectionable.

If the great object of duties be the production of revenue, that object has always been most effectually secured by the imposition of moderate rates, as may be briefly proved by a few examples; *viz.*

The duty on Coffee at 1s. per lb. amounted to £400,000.

Ditto.....ditto.....at 6d. per lb. it amounted to £500,000.

and a further reduction might be made, with every probability of advantage to the revenue; *viz.*

To 4d. per lb. on West-India;

To 6d. per lb. on East-India;

which rates would still amount to 5 per cent. on the market value here.

The following statement shows the advantages consequent on reductions of duty, the annual consumption having increased most rapidly; *viz.* on,

| | <i>Lbs.</i> | <i>Lbs.</i> | | | Former Duty. | | Present Duty. |
|---|-------------|-------------|---|-----|-----------------|-----|------------------|
| Coffee, B. P. from 8,000,000 to 20,000,000 increased 150 per cent | | | | | 1/ | - | 7/6 p' lb. |
| — E. I. ... | 300,000 to | 1,000,000 | — | 200 | — | 1/6 | - 7/3 — |
| Pepper..... | 900,000 to | 2,000,000 | — | 120 | — | 2/6 | - 1/ — |
| Rice, Bengal 40,000 bags to 100,000 bags | | | — | 150 | — | 5/ | - 1/ p' cwt. |

Rice being brought from Bengal, principally for the purpose of making a small freight of about £5 per ton, the present duty of £1 per ton falls rather heavy, and might be reduced to 10/, the same as the duty on saltpetre, which is double the value of rice, the consumption of which is likely to increase with the lower orders.

Sugar may be considered, more generally than any one of these articles, a necessary of life, and would without any doubt increase in the same proportion, by reducing the duty to the same extent; the last reduction was too trifling, a small reduction of duty injures the revenue, and does not benefit the community.

Bengal sugar now pays a duty of 120 per cent. on the gross price, which, after deducting freight and charges in England, is equal to 200 per cent. on the proceeds here.

It is recommended that the duty on sugar be reduced from 24/ to 12/ on West-India, being at the latter rate 50 per cent. on the gross price; and from 32/ to 16/ on East-India, being the proportionate reduction on this description of sugar.

The annual consumption of sugar in this country being 170,000 tons, the quantity, if increased in the same ratio as the preceding less essential commodities, would soon amount to 350,000 tons, the magnitude of this increase being such as to give additional employment to 150,000 tons of shipping.

All

21 April 1831.

Sir C. Forbes,
Bart.

All the trades connected with shipping, sailors, agents, merchants and underwriters, would thereby be better able to bear direct taxation, and by additional expenditure and consumption, all these classes would indirectly and extensively contribute to augment many other sources of revenue; besides which, a reduction in the price of sugar would be an essential benefit to every family throughout the Kingdom, and especially to those in the middle and lower classes of society.

(Signed)

*Inglis, Forbes, & Co.
Cockerell, Trail, & Co.
Finlay, Hodgson, & Co.
Fletcher, Alexander, & Co.
Fairlie, Bonham, & Co.*

*Palmers, Mackillop & Co.
Rickards, Mackintosh, & Co.
Small, Colquhoun, & Co.
Gregson, Melville, & Knight.
Rawson, Holdsworth, & Co.*

London, 31st March 1831.

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 299

(A.)

PRICES CURRENT of East-India Produce, 1st January 1831.

21 April 1831.

Sir G. Forbes,
Bart.

| GOODS. | PRICES. | | Per | DUTIES. | DUTY, Rate per Cent. | |
|----------------------------|---------|-------|-------|--------------|-------------------------|-------|
| | from | to | | | from | to |
| Aloes | £2 10 | £10 | cwt. | 1/3 p' lb. | 70 | 280 |
| Assafoetida | 15/ | 40/ | — | /10 — | 233 | 622 |
| Benjamin, 1st. | none. | | — | — | — | — |
| 2d. | £15 | £20 | — | 2/ — | { 56 | 74 |
| 3d. | £3 | £6 | — | | { 186 | 373 |
| Barilla | 5/ | 6/ | — | £2 p' ton | 33 | 40 |
| Borax, refined. | 55/ | 56/ | — | /6 p' lb. | 100 | 102 |
| unrefined, or Tincal. | 56/ | 58/ | — | /3 — | 48 | 50 |
| Camphor. | £4 10 | £4 15 | — | /1 — | 9 | 10 |
| Cardemoms, Ceylon. | 9 | 1/4 | — | 2/ — | { 150 | 266 |
| Malabar | 3/ | 4/6 | — | | { 44 | 66 |
| Cassia Buds | — | 80/ | — | 1/ — | — | 140 |
| Lignea | 60/ | 70/ | — | /6 — | 80 | 93 |
| Cinnamon. | 8/ | 9/6 | lb. | /6 — | 5 | 6 |
| Cloves, Bourbon. | /10 | 1/2 | — | 2/ — | 171 | 240 |
| Amboyna | 1/6 | 2/2 | — | 2/ — | 92 | 133 |
| Coculus Indicus | — | 20/ | cwt. | 2/6 — | — | 1,400 |
| Cochineal | 1/1 | 1/2 | lb. | /4 — | 28 | 30 |
| Coffee, Mocha | 65/ | 80/ | cwt. | /9 — | 105 | 128 |
| Java, brown | nil. | | — | 1/ — | — | — |
| Cheribon | 31/ | 38/ | — | 1/ — | { 295 | 361 |
| Sumatra. | 30/ | 35/ | — | | { 320 | 373 |
| Cotton, Bengal. | 4½ | /5 | lb. } | /4 p' cwt. | { 5/6 | 5/7 |
| Madras | 4½ | /5½ | — } | | { 5/6 | 5/8 |
| Surat. | — | — | — | | — | — |
| Cubebs | 70/ | 80/ | cwt. | 2/ p' lb. | 280 | 320 |
| Dragons' Blood. | £2 | £15 | — | 1/8 — | 62 | 465 |
| Ebony | 4/ | 5/ | — | 15/ p' ton | 15 | 19 |
| Galls | 50/ | 65/ | — | 5/ p' cwt. | 7 | 10 |
| Gamboge | £5 | £16 | — | 1/8 p' lb. | 58 | 187 |
| Ginger, Bengal. | 20/ | 24/ | — | 11/6 p' cwt. | 47 | 57 |
| Gums, Ammoniac | 30/ | 100/ | — | 1/3 p' lb. | 140 | 466 |

(continued..)

21 April 1881.

(A.)—Prices Current of East-India Produce—continued.

Sir C. Forbes,
Bart.

| GOODS. | PRICES. | | Per | DUTIES. | DUTY, Rate per Cent. | |
|-------------------------------------|---------|------|------|-----------------|-------------------------|-------|
| | from | to | | | from | to |
| Gums, Animi | £6 | £12 | cwt. | /6 p' lb. | 23 | 46 |
| Arabic | 50/ | 55/ | — | 6/ p' cwt. | 10 | 12 |
| Gum Lac: Lac Dye, fine D.T. | — | 3/ | lb. | — | — | 5 |
| other marks, good | 1/6 | 2/ | — | | | |
| middling | 1/ | 1/6 | — | | | |
| ordinary | /6 | 1/ | — | | | |
| Shell-lac, dark | £4 | £5 | cwt. | — | — | 20 |
| orange | £6 | £7 | — | | | |
| Hemp. | — | £20 | ton. | free. | | |
| Hides, Buffalo. | /3 | /5 | lb. | 1/2 wet p' cwt. | 4 | 5 |
| Ox and Cow, dry. | /3 | /4 | — | 2/4 dry — | 6 | 8 |
| Indigo. | — | 4/ | — | /3 p' lb. | — | 6 |
| Mace. | 4/ | 5/6 | — | 3/6 — | 63 | 87 |
| Mother-o'-pearl Shells, China. | 85/ | 90/ | cwt. | — | — | 5 |
| Bombay. | 50/ | 60/ | — | — | — | 5 |
| Musk. | 20/ | 50/ | oz. | 5/ p' oz. | 10 | 25 |
| Myrrh. | £5 | £12 | cwt. | 1/8 p' lb. | 77 | 187 |
| Nutmegs, 1st. | 3/6 | 4/ | lb. | 2/6 — | 62 | 88 |
| 2d. | 2/10 | 3/2 | — | | | |
| Nux Vomica. | 7/ | 8/ | cwt. | 2/ — | 233 | 266 |
| Oils, of Aniseed. | /4 | /5 | oz. | 4/ — | 60 | 75 |
| Cassia | /3½ | /4 | — | 1/ p' oz. | 300 | 343 |
| Cinnamon. | 10/ | 12/ | — | 1/ — | 8 | 10 |
| Cloves | /6 | /8 | — | 2/ — | 300 | 400 |
| Mace | /1 | /2 | — | 2/6 — | 1,200 | 3,000 |
| Nutmegs | 1/ | 1/8 | — | 2/6 — | 150 | 250 |
| Olibanum | 10/ | 46/ | cwt. | £2 p' cwt. | 87 | 400 |
| Pepper, black. | /3 | /4½ | lb. | 1/ p' lb. | { 266 | 400 |
| white. | /4½ | /8 | — | | | |
| Rhubarb, common | /6 | 3/ | — | 2/6 — | { 83 | 500 |
| fine Dutch, trimmed. | 2/6 | 4/ | — | | | |
| Rice, Patna. | 15/ | 20/ | cwt. | 1/ p' cwt. | 5 | 10 |
| Bengal, white | 14/ | 18/ | — | | | |
| yellow | 10/ | 12/1 | — | | | |
| Java | — | 10/ | — | 15/ — | — | 150 |

(continued..)

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 241

(A.)—Prices Current of East-India Produce—continued.

21 April 1881.

Sir C. Forbes,
Bart.

| GOODS. | PRICES. | | Per | DUTIES. | DUTY, Rate per Cent. | |
|----------------------------|---------|------|------|------------------------------|-------------------------|-------|
| | from | to | | | from | to |
| Rum, Bengal..... | — | 1/9 | gln. | £1 p' gal. | — | 1,148 |
| Safflower..... | £2 | £9 | cwt. | 2/6 p' cwt. | 1 | 6 |
| Sago, common..... | 6/ | 12/ | — | 1/ — | 8 | 16 |
| pearl..... | 10/ | 30/ | — | 10/ — | 33 | 100 |
| Sal Ammoniac..... | 55/ | 70/ | — | /3 p' lb. | 40 | 50 |
| Saltpetre..... | 35/ | 37/ | — | /6 p' cwt. | 1 | 1½ |
| Sapan Wood..... | 5/ | 10/ | — | 15/ p' ton | 7 | 15 |
| Sanders ditto red..... | 12/ | 15/ | — | 12/ — | 4 | 5 |
| Seeds, Aniseed Star..... | — | 80 | — | 30/ p' cwt. | — | 37 |
| Silk, Bengal..... | 12/9 | 14/6 | lb. | /1 p' lb. | 1½ { | ½ |
| China..... | 11/6 | 17/6 | — | | | 1½ |
| Persian..... | 12/ | 12/6 | — | | | 1½ |
| Sugar, Bengal, white..... | 27/ | 34/ | cwt. | £1 12s. p' cwt. | { | 94 |
| middling white..... | 25/ | 27/ | — | | | 118 |
| low ditto and brown.. | 21/ | 23/ | — | | | 139 |
| China and Siam, white..... | 22/ | 25/ | — | £3 3s. — | { | 250 |
| yellow..... | 16/ | 23/ | — | | | 273 |
| Mauritius, fine..... | 51/ | 54/ | — | | | 80 |
| yellow..... | 46/ | 50/ | — | Duty paid. £1 4s. p' cwt. | { | 90 |
| brown..... | 40/ | 44/ | — | | | 84 |
| Teeth, Elephants..... | £19 | £23 | — | | | 120 |
| Terra Japonica..... | 25/ | 35/ | — | 20/ p' cwt. | 4 | 5 |
| Tumeric, Bengal..... | 12/ | 14/ | — | 3/ — | 8 | 12 |
| Java..... | 12/ | 15/ | — | 2/4 — | 16 | 19 |
| China..... | 18/ | 22/ | — | 10/ — | 66 | 83 |
| Tortoiseshell..... | 30/ | 45/ | lb. | /6 p' lb. | 1 | 1½ |
| Vermilion..... | 2/6 | 3/ | — | 1/ — | 33 | 40 |

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(B.)

| GOODS. | Average Value. | Proposed Duty. |
|-----------------------------------|-----------------|----------------|
| Aloes | £5 per cwt. | 35s. per cwt. |
| Assafoetida | 50s. — | 15s. — |
| Barilla | £5 per ton. | 5s. per ton. |
| Benjamin | 80s. per cwt. | 25s. per cwt. |
| Borax, unrefined, or Tincal. | 45s. — | 2s. — |
| Cardemoms | 2s. 6d. per lb. | 9d. per lb. |
| Cassia Buds | 80s. per cwt. | 6d. — |
| Lignea | 80s. — | 3d. — |
| Cloves | 1s. per lb. | 3d. — |
| Cochineal, East-India | 1s. — | 1d. — |
| Cubebs | 80s. per cwt. | 20s. per cwt. |
| Dragons' Blood | £10 — | £3 — |
| Gamboge | £12 — | £4 — |
| Ginger | 20s. — | 2s. 6d. — |
| Gum, Ammoniac | 90s. — | 30s. — |
| Animi | 120s. — | 6s. — |
| Arabic | 50s. — | 2s. 6d. — |
| Lac Dye | 1s. 6d. per lb. | 1d. per lb. |
| Shell-lac | 100s. per cwt. | 5s. per cwt. |
| Seed, Aniseed | 80s. — | 30s. — |
| Mace | 3s. 6d. per lb. | 1s. per lb. |
| Mother-o'-pearl Shells | 50s. per cwt. | 3s. per cwt. |
| Myrrh | £7 — | 40s. — |
| Nutmegs | 3s. — | 6d. per lb. |
| Oil, Cocoa Nut | — | — |
| Cassia | 4d. per oz. | 1d. per oz. |
| Cloves | 7d. — | 3d. — |
| Mace | 1½d. — | ½d. — |
| Nutmegs | 1s. 3d. — | 5d. — |
| Olibanum | 30s. per cwt. | 10s. per cwt. |
| Pepper, Black | 3d. per lb. | 1d. per lb. |
| White | 6d. — | 2d. — |
| Rhubarb | 2s. — | 6d. — |

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(C.)

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Sir C. Forbes,
Bart.

AMOUNT of DUTY per Annum, taking the Average of Four Years.

| | Quantities. | Rate of Duty. | Total Duty. |
|------------------------|--------------|------------------|-------------|
| On | | | £ |
| Aniseed, Star | 6 cwt. | £3 per cwt. | 18 |
| Aloes | 23,500 lbs. | 1s. 3d. per lb. | 1,468 |
| Assafœtida | 4,700 lbs. | 10d. — | 198 |
| Barilla | 100 tons. | £2 per ton. | 200 |
| Borax, unrefined | 120,000 lbs. | 3d. per lb. | 1,500 |
| Cardemoms | 3,550 lbs. | 2s. — | 355 |
| Cassia Buds | 4,350 lbs. | 1s. — | 217 |
| Lignea..... | 44,900 lbs. | 1s. — | 2,245 |
| Cloves | 500 lbs. | 2s. — | 5,000 |
| Cochineal | 8,700 lbs. | 2d. — | 70 |
| Cubebs..... | 16,650 lbs. | 2s. — | 1,665 |
| Dragons' Blood | 2,350 lbs. | 1s. 8d. — | 198 |
| Gamboge | 5,750 lbs. | 1s. 8d. — | 460 |
| Ginger | 380 cwt. | 4s. 6d. per cwt. | 220 |
| Gums, Ammoniac | 2,350 lbs. | 1s. 3d. per lb. | 146 |
| Animi | 86,550 lbs. | 5d. — | 1,800 |
| Arabic | 4,350 cwt. | 6s. per cwt. | 1,300 |
| Lac Dye | 383,000 lbs. | 5s. — | 1,900 |
| Shell-lac | 2,050 cwt. | 20s. — | 2,000 |
| Mace | 120 pkgs. | 3s. 6d. per lb. | 2,500 |
| Myrrh | 11,500 lbs. | 1s. 8d. — | 900 |
| Nutmegs | 530 casks. | 2s. 6d. — | 13,200 |
| Oils, of Cassia | 32,000 oz. | 1s. per oz. | 1,600 |
| Cinnamon | 300 oz. | 1s. — | 15 |
| Cloves | — | — | nil. |
| Mace | 500 oz. | 2s. 6d. — | 63 |
| Nutmegs | 1,800 oz. | 2s. 6d. — | 225 |
| Olibanum | — | — | nil. |
| Rhubarb | 28,000 lbs. | 2s. 6d. per lb. | 3,500 |
| | | £ | 42,963 |
| Pepper | 4,500 bags. | 1s. per lb. | £ 92,000 |

JOHN STEWART, Esq., called in ; and examined.

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2460. HAVE you had opportunities of becoming acquainted with the state of the Island of Ceylon?—Yes, I have.

2461. Are you aware of the import and export-duties now existing on the island of Ceylon, and will you be so good as to state to the Committee the general outline of those duties, as they tend to affect the trade between the Peninsula and other parts of India, and Ceylon, and also this country?—The imports into Ceylon from the presidencies of India are confined almost entirely to grain, principally rice, upon which an import-duty of a rix-dollar a bag is charged, being from fifty to seventy-five per cent. upon the prime cost of the article at Calcutta. The produce and manufactures of this country are also subject to a heavy duty on import into that island, and the produce of Ceylon on being exported to this country, or to India, is also subject to very considerable duties; the system being altogether different from that which prevails in the Company's territories, where the produce and manufactures of the United Kingdom are permitted to be imported duty free (with the exception of cotton piece-goods, which pay a duty of two and a half per cent., and from whence the produce of British India is permitted to be exported to the mother country without the exaction of any duty whatever.

2462. Is it not your opinion, that if a more free commercial intercourse were allowed between Ceylon and the various parts of India it would tend greatly to the advantage of both countries?—Certainly.

2463. What are the chief exports from Ceylon to this country?—Cinnamon is the principle article of export. Cocoa-nut oil and arrack are also exported; and there is now a considerable export of coffee from Ceylon to this country, which I understand is increasing.

2464. Is it not usual for ships coming from India to touch at Ceylon to take on board some of those articles?—It is.

2465. Is not the trade consequently very much impeded by the high duty?—Certainly, very much.

2466. Do you know the per-centage of the duty upon any of those articles?—I cannot charge my memory to state that precisely; there is a regular tariff published, which shows the duties.

2467. Is not Ceylon a very productive island, capable of producing various articles to a great extent?—Yes, particularly so; the soil, produce, climate, harbours and locality of this colony altogether, fit it peculiarly for being a place of great importance in a commercial point of view.

2468. Would not those articles find their way to other parts of India, and also to this country, in a greater degree, if a more liberal system were pursued?—I have no doubt of it. There is nothing permitted to be exported from Ceylon, I believe, without payment of duty.

2469. Do

2469. Do you consider that it would be advantageous for the island of Ceylon to be under the same government as the territories of the East-India Company?—Yes, I conceive it would be most advantageous. 21 April 1831.
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2470. On what grounds?—The government of Ceylon is essentially different from the government of the East-India Company, and most inferior to it in every respect. The government of Ceylon is a pure despotism, exercised in the very worst possible way; the government of the East-India Company, on the other hand, is a mild, beneficent, good government, well calculated to promote the general welfare and prosperity of our fellow subjects in India. On Ceylon, the system of forced labour, which prevailed there when we acquired the island from the Dutch, is still continued, and exacted from the native population with a degree of severity which would scarcely be believed by any one who had not witnessed it, as I have done.

2471. Have you been there recently?—I was there last in the year 1823.

2472. Have there been any important changes since that time?—None that I am aware of.

2473. You spoke of the exportation of grain and rice from Bengal to Ceylon, is that to any considerable extent?—It is to a very considerable extent. There is very little rice produced on Ceylon, and that of an inferior quality, and the population, to a considerable extent, are dependent upon the foreign supply, which principally comes from Bengal, and from the coast of Malabar.

2474. Is rice the food of the people?—It is chiefly the food of the people; but there are other grains raised upon Ceylon. Rice is regularly supplied to the military and other government establishments.

2475. Is there not a considerable supply obtained from the Southern Mahratta provinces, from the Tanjore country, Ramnad, and the countries along the coast?—As far as my own knowledge goes, the importations from that side of India were confined principally to the rice from Mangalore.

2476. Are you aware that there is practically a great deal of forced labour in India?—I believe there is forced labour in the Company's territories in India to a certain extent, that is, that they are forced to labour upon being paid for it; but in Ceylon the natives are forced to labour in many instances without being paid for it.

2477. Are not the producers of salt, for instance, at the mouth of the Ganges, under a system of compulsory labour?—I have understood that such is the case, and I believe it to be so, although I have not had an opportunity of personal observation upon the subject.

2478. When you state that there is forced labour in India, do you refer to times of emergency, such as military operations, and to periods when military corps must be carried from one point to another, or do you refer to ordinary times; and if to the latter, will you state whether it was an occurrence arising from the transgression of positive orders by individuals, which was punishable,

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able, or whether it was a system pursued under the instructions and regulations of government?—I alluded entirely to forced labour under the instructions of government, not applicable to times of emergency, or as arising out of transgressions of the orders of government; as in the instance of the system of forced labour which prevails at the mouth of the Ganges, with regard to the manufacture of salt.

2479. Is it to be found in any other place, excepting in the instance that you mention at the mouth of the Ganges?—I am not aware at this moment of any other particular instance, and of that I do not speak from personal observation.

2480. Are you aware that that forced labour is only enforced by compelling them to execute contracts already engaged?—I am not aware of that.

2481. Do you happen to know at what rate a common day-labourer is paid in Ceylon, and in the Bengal provinces?—Wages are very low indeed in Bengal, labour there being very cheap; in Ceylon it is considerably higher.

2482. Do you not conceive that the peasantry of Ceylon are better clothed, better fed, and better paid than the peasantry in Bengal?—I believe they are generally better paid when not forced to labour by government; but the population of Ceylon is not by any means so dense as that of Bengal, and labourers are consequently more difficult to be had.

2483. Are the necessities of life dearer in Bengal than they are in Ceylon?—No; they are much dearer in Ceylon than in Bengal.

2484. Is the climate of Ceylon of a description which would admit of Europeans labouring in it?—I think it is better adapted for European labour than the climate on the continent of India as far north as the latitude of 18° or 20°.

2485. Do you know that there was a code of laws for Ceylon?—I am aware that Ceylon is governed by a particular code of colonial laws.

2486. Are you aware whether trial by jury has been introduced into the island of Ceylon?—It has.

2487. What was the result?—It was most beneficial.

2488. Do the natives sit upon the jury?—They do.

2489. Is colonization by Europeans freely permitted in that island?—It has been permitted upwards of twenty years, a government proclamation having been issued to that effect in, I think, 1810, holding out encouragement for the settlement of Europeans there; but it is only within the last few years that it has been availed of, and only in two or three instances, I believe.

2490. Are any impediments put by the government of the island?—No impediments appear by the proclamation; but there is always this impediment in the way of it, namely, that by the present constitution of the Ceylon government, it rests with the governor, individually, to promulgate and enact any

any law that he thinks proper for the government of the colony, or for the regulation of any individual interest in it, and so soon as that is proclaimed it becomes the law of the colony, and the courts of justice there are bound to recognize and obey it as such.

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2491. So that he may send any man out of the colony without giving any reason for it?—Certainly; and may not only send him out of the colony, but may confiscate his property, or take back the grant of land which had been made to him, or make a new law to regulate the disposal of its produce, if he sees fit.

2492. Can you state any instance of that having been done?—There is one instance which took place in the year 1823 or 1824, not with regard to property, but with regard to the imprisonment of an individual of the name of Rosier, an Englishman, and which was brought before the House of Commons some years ago. The man was stated to have deserted from the army in Bengal, and he was on board a ship bound to this country which touched at Colombo. An intimation had been sent to the Ceylon government that he was a deserter, and he was in consequence taken out of the ship, and confined in custody of the town-major of Colombo. He applied to His Majesty's Supreme Court there, stating, in the usual form, that he was illegally imprisoned, and a writ of habeas corpus issued, as a matter of course, directing him to be brought before the court; but before that order could be complied with, General Campbell, who was then acting governor of Ceylon, enacted a regulation by which he directed, that it should then and thereafter be a sufficient return to any writ of habeas corpus, to state that the party ordered to be brought up was confined by an order under the signature of the governor, or of the secretary to the government. That return was consequently made to the writ, and the Chief Justice, Sir Hardinge Gifford, stated, after seeing the regulation, that he was bound to consider it the law of the colony, and to be guided by it accordingly. The man was consequently not brought before the court, and I believe he died in custody at Colombo.

2493. Are you aware that a similar law exists, with reference to habeas corpus, all over India, that any British subject may be, and has been taken up and confined by the governments in India without any reason being assigned, and on a habeas corpus being granted, the return to that is, that he is so imprisoned by an order of the governor in council?—I believe that that law would not be operative within the jurisdiction of any of the King's courts of judicature at the presidencies; but that it would be so in the provinces.

2494. Are you not aware that it actually did happen in Bombay?—I am aware that a case of that kind did happen a good many years ago in Bombay; that such a return was made: but it is not within my own knowledge, as I was not at Bombay at the time.

2495. Do the high duties of which you have spoken give occasion to a great deal of smuggling on the island of Ceylon?—No, I do not think that there

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there is much smuggling: the articles of import and export to Ceylon are generally bulky, and it would be difficult to smuggle them.

2496. Have you any idea what is the annual value of exports and imports from Ceylon to India?—I cannot state precisely what; but there was, I think, a return made of them to the House of Commons two years ago.

2497. Have many Europeans settled in Ceylon?—No, very few indeed.

2498. Have those been men of capital?—No, I am not aware that any men of capital have settled in Ceylon.

2499. Can you state what number of Europeans there are there?—I suppose the number of Europeans resident on the island is rather under than over five hundred, exclusive of military.

2500. Have they been successful?—Generally speaking, not; the commercial interests of the island are exceedingly depressed.

2501. Have any of them succeeded as cultivators of the soil?—I am not aware that any of them have tried that, except in the few instances I have mentioned of people having settled there lately.

2502. Have you ever heard of any settlers in Ceylon, or persons engaged in commerce, going to the interior, or do they merely limit themselves to the coast?—Since we got possession of the Candian territory some of them have gone into the interior, and I believe a gentleman that has been settled at Ceylon for many years as a merchant, has now got a coffee plantation in the interior; how it is succeeding I do not know.

2503. Have many gentlemen that you have known engaged in the trade of elephants, or does that remain solely with the government?—I believe that the trade in elephants has entirely dropped, as not worth pursuing by any one: indeed, they may be shot at pleasure, and I therefore conclude they are considered of little or no value.

2504. Is not the pearl fishery a branch of commerce in which a number of persons engage?—It is; but it is a strict monopoly in the hands of the government.

2505. Is not the cinnamon also in the hands of the government?—It is entirely in the hands of the government; a very rigid monopoly.

2506. Are there any other monopolies?—I am not aware of any monopoly except the cinnamon, and the chank and pearl fishery.

2507. Are not those monopolies very prejudicial to the interests of the island?—Very prejudicial indeed.

2508. You have stated that the government of India, compared with the government of Ceylon, is mild and beneficent, and in every way preferable; would it not be much more beneficial to the population were the Company to surrender their character of merchants in India, confining themselves to that of sovereigns?—Yes, I am of opinion that it would be much more beneficial to the country generally, and to the native population in particular.

2509. Would

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2509. Would not commerce be carried on with much more confidence and vigour, particularly on the part of the natives, if such were the case?—No doubt it would.

2510. Does the government of Ceylon trade on its own account?—Yes, to a very great extent.

2511. Is not that practice of government trading on its own account very injurious to the private traders?—Very injurious indeed; it almost annihilates them.

2512. How does it operate?—It is quite impossible for any private merchant to compete successfully in the market with those who exercise sovereign power in the territory where that trading goes on.

2513. Does not that arise from the superiority of their capital and credit?—It arises partly from that; and in Ceylon it is influenced by the power exercised by the government of forced labour. The natives there are obliged to gather certain articles of produce, and deliver it to government without being paid for their labour.

2514. Is not the case totally different in Bengal, and in the Company's provinces?—Not entirely different in the Company's territories. The effect of the government trading no doubt is in some respects similar, and although there is not forced delivery, yet my belief is, that the natives of India, those I mean who raise the produce, are influenced in giving the Company a preference in the purchase of it, by a fear of displeasing the ruling authorities.

2515. Can you state any instances in proof of that opinion?—I may state in reply to that question, that when I visited the provinces to the northward of Bombay, in the year 1811 or 1812, one object of my journey was the purchase of cotton, and my communication with the native merchants who had cotton to sell, as to the prices and conditions on which I could obtain it, left no doubt on my mind that their abstaining from selling, as they did, till they knew what might be the extent of the Company's demand, arose partly from a fear of offending the ruling authorities, if they parted with the article which might afterwards be required by the government.

2516. Was it not more natural that it should arise from the hope of obtaining a greater price?—It is very probable that that consideration influenced them partly; but I am equally certain that they were also influenced in a considerable degree by the motive I have mentioned.

2517. Are you aware that, at the period of which you speak, the government were in the habit of receiving the great staple of cotton in those provinces of which you have spoken, as revenue in kind?—Yes, I am aware that at the time I mentioned they received part of the revenues in cotton, and that that system has since been done away with.

2518. Are you aware that the cotton is purchased by a commercial agent, who is totally distinct in his duties and capacity, from either the person who

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under the name of collector collects the revenues, or from the judge, by whom all complaints are decided ; and that the commercial agent has no duties except those of going with the means they afforded him as a competitor into the market to make purchases with money supplied to him from the government?—Yes, I believe that that has been the case of late years on the Bombay side of India, certainly ; and that the commercial agent has not had any other duties to perform.

2519. Is not the commercial agent a civil servant of the Company?—He is.

2520. Do you not, however, think that the knowledge which the natives have that the commercial agent is a servant of the ruling power, would give him considerable advantages in the purchase of the article in the market?—I have not the least doubt of it.

2521. Advantages which no private trader could possibly possess?—Certainly.

2522. What are those advantages?—The natives of India who grow cotton know that the commercial agent is the servant of the East-India Company, and that in purchasing the cotton from them he is carrying into effect the orders of the government, and they consider very naturally that dealing with him is just the same as if they were dealing directly with the government.

2523. What effect can that have upon the purchase of the article?—Perhaps I had better, in answer to that question, state, that if a private merchant goes into the market early in the season to purchase cotton, the growers will not sell or make a bargain with him, till they know, in the first instance, the extent to which the Company wish to purchase ; they are, no doubt, influenced in doing so, in a considerable degree, by the hope of getting a better price from the Company ; but I have no doubt also, in a very great degree, by the fear of offending the Government, if they had sold their cotton before they knew whether the Company would require it or not.

2524. How could they possibly incur the displeasure of government for not selling to the agent of government that which they did not possess?—It is known that they do possess that cotton every year, and they believe that if they do not keep it on hand till they knew whether the Company required it or not, they would incur the displeasure of the ruling authorities.

2525. Is not this merely your own opinion, and your belief, and not a statement of fact?—It is my opinion and my belief, derived from personal observation, and from personal communication with many of those who are the growers of the article.

2526. At what period?—As I mentioned, in the year 1811 or 1812.

2527. Have you any information upon this subject that applies to the period of the present charter?—Yes ; I have had ample experience of the present

present system during my residence at Bombay, so late as the year 1824, and I know that the same feeling continues to operate now.

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2528. Supposing no influence to exist on the part of the Company as the governing power, and that there were no fears of the resentment of that power in any shape, is not the interference of a body with unlimited capital among private independent merchants, in the ordinary speculations of commerce, fatal to the freedom and independence of commerce, and must not such a competitor in the ordinary transactions of commerce be destructive of the individuals who are to act in competition with it?—There can be no doubt of it.

2529. Supposing that in any of the presidencies of India this government so trading is occasionally called upon to give assistance to merchants at periods of distress, have they not the power of making an abundance or a scarcity of money, according as that assistance is either granted or withheld, so as to oppress their competitors in the ordinary commerce of the country?—They no doubt have the power to do so.

2530. Have they ever exercised it, to your knowledge, at Bombay?—They certainly never have, to my knowledge.

2531. Have you ever known within the last five or six years, by any statements from the commercial men with whom you are connected, that they have ever preferred to the government any complaints of a deficiency of the supply of the article of cotton, or any difficulties that obstructed them in its purchase, without those being, in the few cases in which they have occurred, immediately remedied by the government?—I have not heard that any application has been made to the government upon that subject within the last four or five years.

2532. Have there been any obstructions to their obtaining as much of the article as they required?—No direct obstruction by the government; but I conceive the interference of government operates as a very serious obstruction to them in the market.

2533. Are you not aware that the government have adopted measures generally for the encouragement of the growth of cotton?—Yes, I have reason to know that within the last few years measures have been adopted for that purpose, or rather to improve the staple of the article.

2534. When you speak of capital possessed by the government, with which they trade, do you conceive that, strictly speaking, to be commercial capital, or only an application of territorial revenue?—I did not speak of it as capital at all; it is an unlimited command of funds, arising no doubt from the territorial revenue.

2535. Therefore, supposing losses to be sustained, in a commercial sense, by the party so carrying on trade, would not such losses have a very different effect upon them from the effect they would have upon a private trader,

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inasmuch as they might be attended with total ruin to him, while in the case of the Company it would only make a charge against the territorial revenue?
—Exactly so.

2536. Have you found the feeling of respect for the authority of the Company's agents, and consequent preference of them, as prevalent of late years as when you were first acquainted with India?—Quite as much so.

2537. Are you aware whether the inhabitants, particularly in the northern district of Guzzerat, are in the habit of sacrificing their interests to meet the wishes of the government, or whether they are not in the habit, every year, on every point connected with the payment of their land revenue, and their commercial dealings, of filing suits against the government in its own courts of justice, both as relates to the revenue administration of justice and the civil administration of justice?—I have knowledge, certainly, of the fact of their frequently instituting proceedings against the government in the provincial courts, but with what success I cannot say. It is, however, unquestionable, that notwithstanding the establishment of those courts for the purpose of administering justice, the natives of India do not go into those courts, against the Company, with any degree of confidence of attaining justice, because they know that the judges of those courts are the servants of the Company, that they are appointed by the government, that they are removable at the pleasure of government, that they are dependent upon the local government for further advancement in the service, and that an appeal from those courts lies to the court of adawlut, the judges of which were, until very lately, the governor and the members of the council, the very men, in fact, who appointed the judges of the provincial court, from whose decision the appeal is made. My belief is, and that belief is founded upon frequent communication with the natives of India, that they have no confidence, or very little confidence in the present system of the administration of justice in the provinces of India.

2538. Is your answer grounded upon communications and intercourse which you have had with the native community of Bombay, or from a residence in those provinces; and does it refer to the period subsequent to the last charter, or to a former period, when you visited the provinces in 1812?
—They refer to the period since 1811, when I first became a resident at Bombay; and during the long period I resided there as a merchant and agent, I had almost constant communication personally with the native merchants, and by correspondence, and also personally with natives in other parts of India, who occasionally visited the presidency of Bombay; and having been, during that time, an alderman of the King's Court of Bombay, the subject of the administration of justice was one of frequent discussion between myself and the different respectable merchants and natives on that side of India, and it was the general complaint of the whole, without a single exception that I am aware of, that the administration of justice in the provinces was exceedingly defective, inefficient and corrupt. When I say corrupt, I apply

apply the term as they applied it, to the system, not to the judges who administered justice in those courts, whom I believe to be a very honourable set of men, but they said that the system was one in which they could have little or no confidence.

21 April 1831.

J. Stewart, Esq.

2539. Can you state from your own knowledge, any specific instances that have occurred, as a proof of the bad administration of justice under the system now established in the provinces of Bombay?—Yes, I have an instance in my mind at this moment, and which I am enabled to support by a very high judicial authority in this country. I do not at this moment recollect the names of the parties to the suit, but it was an action that was tried in the court of adawlut at Surat, and an appeal was made from the decision of that court to the sudder adawlut, or governor in council at Bombay, which confirmed the decision of the court at Surat, and the case came home on appeal to the King in council in this country. That appeal was heard, I think, about three years ago, and Sir John Leach, who presided at the council, reversed the decree of the Indian provincial court; and in giving judgment he observed, that he had before had occasion to deplore the constitution of those courts, and the disgraceful mode in which justice was administered in them, and that he had on that occasion represented the matter to the President of the Board of Control, with a view to the correction of the evil, and recommending that King's judges should be appointed to these courts; but the President had stated that it could not be done, as there was a great deal of jealousy between the King's and the Company's servants in India. The learned judge proceeded to state, that the case then before him, decided in a manner contrary to every principle of law and justice, afforded so strong an additional reason for the change he had recommended, that he would furnish the Board of Control with a copy of the evidence, with the view of inducing the President to reconsider his determination. I beg to add, that I perfectly concur in the whole that fell from Sir John Leach upon that occasion, with the exception of appointing King's judges to administer the law in the provincial courts, which I should not consider expedient.

2540. You are probably aware, that within the last few years, the Court of Appeal in this country have reversed several of the judgments passed by His Majesty's courts of law in India; should you conclude, from those judgments being reversed, that those courts were consequently to be condemned as being inefficient?—I am aware that several of the judgments of the King's courts in India have, upon appeal to this country, been reversed; but I am not aware of any instance in which His Majesty's Privy Council, in reversing the judgments of any of the King's courts in India, have pronounced in unqualified terms, or in any terms whatever, that the proceedings of those courts in the cases alluded to were contrary to every principle of law and justice; and Sir John Leach made use of these words expressly, in reversing the judgment of the provincial court in the case I have alluded to, and did not

21 April 1891.

J. Stewart, Esq.

not apply them to that case alone, but to the proceedings of those courts generally.

2541. In what year did that case occur?—Three or four years ago.

2542. Have the natives of India, as far as you know, entire confidence in the King's courts at Bombay and the other presidencies?—They have.

2543. And that, generally speaking, they would be glad to see their jurisdiction extended?—I believe they would be glad that their jurisdiction was extended.

2544. Are you not aware that the delays in the administration of justice in the provincial courts, and the corruption of the native officers of the courts, are things of general notoriety in India?—They are so.

2545. Within your knowledge, are not the natives of India at the present moment a very servile race; that is, obedient to the will of any officer acting under authority?—They are very obedient.

2546. Is that derived from your knowledge of the persons at Bombay, or is it from your personal knowledge of the provinces during the last fifteen years?—From my own knowledge, derived from residence in India generally, and travelling occasionally in the provinces.

2547. Have you ever been in the Deccan?—I have been there about five or six weeks.

2548. Have you ever had any intercourse with the natives, except upon commercial points?—Upon commercial points, and upon the state of the administration of justice, which was frequently the subject of communication between the natives and myself.

2549. Do you speak the native languages?—The current dialect used at Bombay.

2550. Are not the natives very much in the habit of opening their minds to gentlemen not in the Company's service, and much more so than to gentlemen connected with it?—I have always found them very communicative, and willing to open their minds on any subject.

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No. 1.—AN ACCOUNT of the ARREARS OF LAND REVENUE left outstanding at the close of the Official Year, at each of the Presidencies in India.

(In continuation of an Account dated 17th March 1830; Ordered, 15th February 1830.)

| YEAR. | ARREARS OF LAND REVENUE LEFT OUTSTANDING. | | | |
|---------------------------|---|-----------|---------|-----------------|
| | BENGAL. | MADRAS. | BOMBAY. | WHOLE OF INDIA. |
| | £. | £. | £. | £. |
| 30th April 1829 | 2,605,693 | 1,243,242 | 478,150 | 4,327,085 |

(Errors excepted.)

East-India House, }
21st February 1831. }

JAMES C. MELVILL,
Aud. India Accts.

No. 2.—AN ACCOUNT, in detail, of the REVENUES and CHARGES of the CEDED and

(In continuation of an Account dated

| | REVENUES. | | | | | | | | | |
|---------------------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|-------------------------------|-------------------|--------------------------|----------------|----------------|
| | Mint. | Stamps. | Judicial Fees and Fines. | Revenue Current. | Surplus not in Jumma. | Revenue Balances. | Syer and Abkaree. | Customs and Town Duties. | Miscellaneous. | TOTAL REVENUE. |
| BENGAL: | £. | £. | £. | £. | £. | £. | £. | £. | £. | £. |
| Ceded Provinces ... | — | 31,483 | 5,909 | 1,463,094 | 16,787 | 45,334 | 99,599 | 86,620 | 8,846 | 1,757,672 |
| Conquered ditto ... | — | 20,615 | 3,870 | 1,842,068 | 54,721 | 106,357 | 49,597 | 278,461 | 9,834 | 2,365,523 |
| Benares | 3,590 | 26,593 | 1,717 | 520,344 | 6,426 | 38,778 | 48,609 | 75,459 | 14,039 | 735,555 |
| Ceded Nerbuddah.. | 1,342 | — | Nizam. 11,645 | 257,414 | 11,019 | 35,256 Tributes 121,818 | 12,357 | 33,873 | 7,414 | 493,138 |
| Ceded Burmese | — | 160 | — | 88,526 | — | | 17,163 | — | 11,637 | 291,383 |
| | Current Revenues. | Arrears of Revenue. | Abkaree. | Farms and Licenses. | Land Customs. | Sea Customs. | Salt. | Tobacco Monopoly | — | TOTAL. |
| MADRAS: | £. | £. | £. | £. | £. | £. | £. | £. | £. | £. |
| Carnatic | 935,586 | 100,663 | 57,821 | 2,888 | 150,735 | 7,741 | 129,685 | — | — | 1,389,119 |
| Ceded and Con- quered Provinces } | 839,541 | 19,979 | 57,234 | 13,685 | 94,807 | 48,813 | 57,524 | 85,128 | — | 1,216,711 |
| Tanjore | 296,301 | 44,325 | 6,427 | 2,298 | 50,606 | 2,602 | 37,427 | — | — | 439,986 |
| Countries ceded by the Nizam | 473,170 | 5,455 | 91,354 | 4,295 | 66,004 | — | — | — | — | 640,278 |

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 259

CONQUERED PROVINCES under the Presidencies of BENGAL, MADRAS and BOMBAY.

6th May 1830; Ordered, 15th February 1830.)

| | CHARGES. | | | | | | | | | |
|----------------------------------|--|---|------------------------|--------------------|-------------------------|--------------------------------|---------------------------------|-------------------|-------------------------------------|-----------------|
| | Mint. | Provincial Battalions | Judicial Salaries, &c. | Diet of Prisoners. | Police. | Revenues, Charges, Collection. | Pensions chargeable on Revenue. | Customs Charges. | Miscellaneous. | TOTAL. CHARGES. |
| BENGAL: | £. | £. | £. | £. | £. | £. | £. | £. | £. | £. |
| Ceded Provinces... | — | 20,685 | 121,427 | 15,456 | 45,508 | 162,393 | 70,002 | 20,014 | 20,496 | 475,981 |
| Conquered ditto... | — | 98,971 | 63,065 | 12,877 | 52,660 | 203,003 | 385,304 | 27,095 | 29,655 | 872,630 |
| Benares..... | 6,809 | 13,674 | 67,693 | 8,401 | 18,338 | 41,995 | 36,350 | 12,660 | — | 205,920 |
| Ceded Nerbuddah.. | 3,626 | — | 9,108 | — | 3,301 | 43,785 | 21,654 | 2,295 | 795 | 84,564 |
| Ceded Burmese.... | — | — | — | — | — | 52,485 | — | — | — | 52,485 |
| | Salary and Commission to Collectors and Establishment. | Repairs of Tanks and Charges Extraordinary. | Customs. | Salt. | Stipends and Allowances | Residency Charges. | Tobacco Monopoly. | Judicial Charges. | Pensions and Charitable Allowances. | TOTAL. |
| | £. | £. | £. | £. | £. | £. | £. | £. | £. | £. |
| MADRAS: | | | | | | | | | | |
| Carnatic..... | 123,893 | 52,092 | 3,651 | 25,350 | 203,639 | — | Petty Claims. 25,638 | 45,609 | — | 479,872 |
| Ceded and Conquered Provinces } | 96,139 | 24,979 | 13,783 | 19,167 | 105,940 | 15,915 | 30,280 | 35,857 | — | 342,660 |
| Tanjore..... | 28,883 | 12,581 | 1,413 | 4,830 | 100,765 | 2,885 | — | — | 16,996 | 168,353 |
| Countries ceded by the Nizam.. } | 50,212 | 31,166 | 1,774 | — | — | — | — | 38,975 | — | 122,127 |

No. 2.—An Account, in detail, of the Revenues and Charges of the Ceded and

(In continuation of an Account dated

...continued.)

| REVENUES: | | | | | | | | | | |
|--|----------|----------|---------|---------------|--------------|----------|---------------------------|----------------|---------|-----------|
| LAND REVENUE. | | | Sayer. | CUSTOMS. | | | Judicial Fees, Fines, &c. | Miscellaneous. | TOTAL. | |
| Current Year. | Arrears. | Subsidy. | | Land Customs. | Sea Customs. | Subsidy. | | | | |
| BOMBAY: | £ | £. | £. | £. | £. | £. | £. | £. | £. | |
| Possessions ceded } by the Guicowar } | — | — | 330,361 | — | — | 38,572 | 929 | — | 369,862 | |
| Possessions ceded } by and conquered from the Mah- rattas } | 925,909 | 230,129 | — | 149,455 | 119,819 | 82,752 | — | 5,453 | — | 1,513,517 |

East-India House, }
21st Feb. 1831. }

Conquered Provinces under the Presidencies of Bengal, Madras and Bombay—*continued.*

6th May 1830; Ordered, 15th February 1830.)

| | C H A R G E S. | | | | | | | |
|--|---|---|---|--|---------------------------------------|---|--|---------|
| | LAND REVENUE. | | CUSTOMS. | | Judicial and Police Charges. | Charges of Survey, Repairs of Roads, &c. | Extraordinary Miscellaneous Charges in excess of Receipts. | TOTAL. |
| | Charges col- lecting Land Revenue and Sayer. | Stipends and Pensions chargeable on Revenue. | Charges collecting Land Customs. | Charges collecting Sea Customs. | | | | |
| | £. | £. | £. | £. | £. | £. | £. | £. |
| BOMBAY. | | | | | | | | |
| Possessions ceded } by the Guicowar | 41,872 | 9,621 | 1,397 | 267 | 30,942 | 6,957 | 31,410 | 122,466 |
| Possessions ceded } by and conquered from the Mah- rattas | 173,766 | 145,138 | — | 10,598 | 149,076 | 6,957 | 117,313 | 602,848 |

(Errors excepted.)

JAMES C. MELVILL,
Aud. India Accts.

No. 3.—AN ACCOUNT of the PER-CENTAGE at which the several Heads of REVENUE were collected in India, in the Year 1828-29.

(In continuation of an Account ordered 15th February 1830.)

| | Bengal, Behar and Orissa. | Benares. | Ceded Provinces. | Conquered Provinces. | — |
|--|---------------------------------|--|--|--------------------------------------|-------------------------------------|
| BENGAL : | | | | | |
| Land Revenue (including Sayer } and Abkarree } | 7,257 | 6,837 | 9,994 | 9,889 | |
| Customs..... | 17,335 | 16,777 | 23,105 | 9,730 | |
| Salt | — | 16 | | — | |
| Opium | — | 5,182 | | — | |
| Stamps | — | 12,132 | | — | |
| MADRAS : | Ancient Possessions. | Carnatic. | Tanjore. | Ceded and Conquered Provinces. | Provinces ceded by the Nizam. |
| Land Revenue (including Ab- } karree and Moturpha } | 8,743 | 15,985 | 11,869 | 14,908 | 14,170 |
| Customs | 15,640 | 2,304 | 2,655 | 9,597 | 2,688 |
| Salt | 18,453 | 19,547 | 12,906 | 33,320 | — |
| Stamps | — | 17,404 | | — | |
| BOMBAY : | Ancient Possessions. | Possessions ceded by the Guicowar. | Possessions ceded by and conquered from the Mahrattas. | — | |
| Land Revenue and Sayer..... | *15,74 | 14 | 14,7 | — | |
| Customs | 13,28 | 4,32 | 5,18 | — | |
| Stamps | — | 19,5 | — | — | |

* This increase, as compared with several preceding years, is not occasioned by any increase of charge in the collection of the revenue, but by the falling off of the receipts in 1828-29, upon which the calculation is founded.

(Errors excepted.)

East-India House, }
21st February 1831. }

JAMES C. MELVILL.
Aud. India Accts.

10 March 1831. 1621. Where is that chiefly consumed?—Chiefly by the neighbouring islands : a small quantity is sent to the Cape of Good Hope and to Siam.
G. Maclaine, Esq.

1622. In those hands is that cultivation?—Entirely in the hands of the Chinese. The natives manufacture it, but under the superintendence of the Chinese.

1623. You have stated, that spices and tin are among the exports of Java ; is not Java merely a depôt for those articles?—It is, and they are both monopolies of the government.

1624. Do you know the annual value of spices so exported?—The annual value of the spices is £50,000 sterling.

1625. Do you know the annual produce of Banca tin?—The production of Banca tin amounts to 2,000 tons, worth in Java about £100,000 sterling.

1626. Are the profits of those two monopolies sufficient to cover the civil and military expenses of Amboyna and of Banca?—By no means.

1627. Is not a proportion of the Banca tin brought to the continent of Europe?—A considerable quantity.

1628. To what purpose is it applied?—It is applied to the same purpose as the Cornwall tin.

1629. Is not raw silk also produced in Java?—An experiment has been made, but it has not yet become an article of export.

1630. Does that experiment promise to be successful?—It does. I brought home samples of silk produced in Java, which were thought nearly equal to China silk.

1631. Does the mulberry-tree grow to any extent in Java?—Most luxuriantly ; I have frequently employed it as a hedge for a garden.

1632. Is it the white mulberry?—It is, with a good deal of the Persian mulberry.

1633. From whence were the worms brought to Java?—Some from China and some from Bengal.

1634. Have you submitted the samples you brought to any of the silk brokers?—I have. I have not got a report from the silk brokers ; they valued it at from 11s. to 14s. a pound.

1635. What is the price of East-India silk at present?—The price of China silk, I believe, ranges at about 12s. to 14s. a pound.

1636. Is the report of the brokers such as to give encouragement to the cultivation of silk in Java?—It is.

1637. At present is there any difficulty as to machinery for reeling and winding it?—There is very great difficulty in reeling the silk ; machinery has been introduced lately from China, but I have not heard of the result yet.

1638. Was that a difficulty arising entirely from inexperience, and not being

No. 4.

ESTIMATE of the TERRITORIAL REVENUES and CHARGES of India, under their respective Heads, whether payable in India or in England, for the Year 1829-30; with a Statement of the grounds upon which the Estimate under each Head is formed; and showing how the Surplus of such Revenues, if any, has been applied, or the Deficiency provided for.

being provided with the proper machinery?—It is ; and I think it is a difficulty which will be easily overcome. 10 March 1831.

1639. Are you aware whether any European planters in Java are at present endeavouring to produce other commodities for the European market ? —Several experiments have been made lately in the cultivation of tea, cochineal, and cocoa.

G. Maclaine, Esq.

1640. With what success has the cultivation of tea been introduced ?—With very good success. I have the Report of the Agricultural Committee of Java on the first attempts made.

1641. Will you have the goodness to read it ?—"Report of the Committee of Agriculture on Tea Cultivation in Java. The new plantations formed since 1827 at Bintenzong and at Garvet, have, last year, far exceeded the expectations at first entertained from them. As the committee considered the Chinese decidedly the most proper persons for preparing tea, they luckily picked up two Chinese in 1828, who have prepared samples of the Bintenzong tea, and have been sent to Garvet to examine the quality of the plant amongst those mountainous districts. According to the samples delivered to the factory at Batavia, and tried by them and by Mr. Jacobson, the Dutch tea-taster at Canton, there can be no longer doubt that Java can produce tea in ample quantity, proper means and soil being adapted for the cultivation. The committee are trying every means to improve the quality and quantity, and have sent for more seed from China ; for though their present plants produce abundant seeds, from the necessity of taking their samples from a number of plants, the seeds have been less available for further cultivation. Their present plantation has sprung from Japan seed, and upon comparing their produce with that of some plants received from China, they are convinced that they were originally from the same seed. There is some difference in appearance, it is true, but the chief difference they conceive in all teas arises from the manner of picking, preparing, and sorting. They have produced samples of green and black tea, and even of Souchong and Pekoe, through Mr. Jacobson's assistance. Their Chinese labourers seem to understand their business, &c. &c. The tea grown at Garvet and Tjieseroepon being better than that of the other plantations, they mean to extend those plantations and at Bintenzong, &c. The different plantations have of course been attended with different results, &c. &c." (There follow several paragraphs about the future importance of tea, and the committee's eager desire to improve the resources of the colony.)

1642. Are all the descriptions of tea mentioned in that report actually grown in Java ?—There are only two descriptions mentioned, Souchong and Pekoe, and green tea. I have only myself seen a sample of the Souchong tea, which appeared very good.

1643. Do you know whether the Pekoe is grown in Java ?—I know it only from the report, and also the green. I have never seen specimens of either, but I have no doubt of the fact.

1644. Was

No. 11.—AN ACCOUNT, showing all other CHARGES, as well in *China* as in *England*, incurred by the East-India Company in their Trade with *China*, including Freight, and stating the actual Amount, in the Year 1829-30.

(In continuation of an Account, dated 17th March 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 962.)

| IN CHINA : | | £. |
|---|---------|--------|
| Rent, Repairs, and Furniture, including a charge of 6 per cent. per annum on Buildings and other Dead Stock, the property of the Company in China .. .. . | .. .. . | 9,905 |
| Canton Port Charges .. .. . | .. .. . | 30,989 |
| Unloading Charges .. .. . | .. .. . | 3,853 |
| Expense of the Removal of the Factory Establishment to and from Macao, Charge of the Company's Cutter, Boat-hire, &c. .. .. . | .. .. . | 3,562 |
| Do. on account of their reception on board the Company's Ships during the discussions with the Chinese Authorities .. .. . | .. .. . | 240 |
| Linguist's Fees, Chinese Masters, &c. .. .. . | .. .. . | 1,274 |
| Stationery and Articles for use .. .. . | .. .. . | 492 |
| Wages of Coolies and Watchmen, Packing Charges, &c. .. .. . | .. .. . | 5,191 |
| Petty Expenses .. .. . | .. .. . | 232 |
| Printing Establishment .. .. . | .. .. . | 342 |
| | £ | 56,080 |
| ON THE TRADE FROM CHINA : | | £ |
| Proportion, attaching to the China Trade, of Establishment for the joint management of the Trade to India and China .. .. . | .. .. . | 81,015 |
| Paper, Printing and Stationery for the Tea Department .. .. . | .. .. . | 2,184 |
| Rent and Repairs of Warehouses, calculated at the rate of 6 per cent. per annum on the Capital invested therein .. .. . | .. .. . | 28,627 |
| Taxes and Parochial Rates thereon, Coals, Candles, &c. .. .. . | .. .. . | 5,978 |
| Wages of Labourers employed at the Tea Warehouses .. .. . | .. .. . | 68,172 |
| Charges landing Tea, &c. from the Ships (including proportion of Establishment employed upon this duty) .. .. . | .. .. . | 3,333 |
| Amount of Coopersage on Tea-Chests incurred at the period of landing them .. .. . | .. .. . | 2,071 |
| Cartage of Tea from the Docks to the Warehouses, including wear and tear of Caravans .. .. . | .. .. . | 3,425 |

IN ENGLAND :

10 March 1831. **1644.** Was this tea a private speculation, or under the government?—It was chiefly done under the auspices of the government. The first attempt was made at the governor's own garden.
G. MacLaine, Esq.

1645. By whom is the commerce of the country chiefly carried on; by natives or by foreigners?—Chiefly by the Chinese.

1646. Do you consider the Chinese a more alert and clever people than the Javanese?—Decidedly so; as merchants they have much more enterprize and intelligence.

1647. Do the Chinese settlers of Java confine themselves to internal commerce, or have you known them extensively engaged with other countries?—They trade largely with the eastern islands and with the Malay peninsula, and also with Europe.

1648. Are there a considerable number of other Asiatic merchants settled in Java?—A considerable number of Arabs, chiefly in the eastern part of the island, and also Armenians.

1649. Are the Arab merchants equal in intelligence and enterprize to the Chinese?—I do not think they are; they are not so liberal in their dealings. They take a long time to discuss a bargain; I could settle a matter of business with a Chinese in a few minutes that would take me an hour with an Arab.

1650. Are the Javanese themselves increasing their commercial establishments?—In some instances of late, I think, they are becoming more provident than they were; I have known instances of a subordinate Javanese chief possessing property to the amount of 30,000 or 40,000 dollars.

1651. Is there any commercial association called the Maatschapy in Java?—There is a commercial association called the Maatschapy, in which the king of the Netherlands is the principal partner. This company carry on a considerable part of the external commerce of Java.

1652. Has this association any exclusive privilege?—It has the exclusive privilege of carrying out stores and troops, and the government coffee and opium farm or monopoly are sold to them only.

1653. With those privileges, is the trade carried on by that company profitable?—I do not think it is.

1654. What do you conceive to be the most profitable branch of their trade?—The opium: indeed I conceive it to be the only branch of trade upon which they have any profit.

1655. Has not the king of the Netherlands guaranteed an interest of four per cent. upon the capital advanced?—He has.

1656. Has this association been favourable or unfavourable to the general interests of trade in Java?—It has been very unfavourable, especially to the Dutch merchants of Batavia.

1657. In

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 295

No. 21-22.—An Account of the Quantity and Value of Cargoes exported by American Ships from the different Ports of British India, for the Years 1827-28 and 1828-29—*continued.*

| BENGAL— <i>continued.</i> | 1827-28. | | 1828-29. | |
|-------------------------------|-----------|---------------|-----------|---------------|
| | Quantity. | Value. | Quantity. | Value. |
| | | <i>S. Rs.</i> | | <i>S. Rs.</i> |
| Pepper bags | — | 429 | — | — |
| Cassia | — | 201 | — | — |
| Coffee | — | 205 | — | — |
| Galls | — | — | — | — |
| Camphire | — | — | — | — |
| Coir | — | — | — | 4,697 |
| Redwood | — | — | — | — |
| Rattans | — | 1,931 | — | 4,022 |
| Mother-o'-pearl | — | 112 | — | — |
| Benjamin | — | — | — | — |
| Senna Leaves maunds | — | — | — | 1,241 |
| Sago | — | 2,005 | — | 629 |
| Tin | — | — | — | — |
| Foreign Piece Goods | — | 57,435 | — | 2,148 |
| Alum | — | — | — | — |
| Kahurbah | — | — | — | — |
| Assafoetida | — | — | — | — |
| Iron Kentledge | — | — | — | — |
| Europe, Sundries | — | 6,731 | — | 10,276 |
| Books | — | — | — | — |
| Cardemoms | — | — | — | — |
| Cubebs | — | — | — | — |
| Nankeens | — | — | — | — |
| Tea chests | 54 | 1,620 | — | — |
| Cabinet Ware | — | 1,142 | — | — |
| Pictures and Prints | — | — | — | — |
| Clocks and Watches | — | 458 | — | — |
| Ghee | — | — | — | — |
| Beads | — | — | — | — |
| Pearls | — | — | — | — |
| Glass Ware | — | 1,474 | — | — |
| Diamonds and Emeralds | — | — | — | — |
| Foreign Skins | — | 21,549 | — | 6,319 |
| Foreign Sugar | — | — | — | — |
| Foreign Gums maunds | 555 | 14,491 | — | 2,101 |
| Verdigris | — | — | — | — |
| Tortoiseshell maunds | — | 588 | — | 3,758 |
| Quicksilver | — | — | — | — |
| Manilla Hemp | — | 5,967 | — | — |
| Foreign Sundries | — | 2,183 | — | 1,007 |
| TOTAL Rupees | — | 16,87,548 | — | 16,01,632 |

(*continued.*)

1657. In what particular manner has it been unfavourable?—By injudicious shipments from Europe, glutting the market. 10 March 1831.

1658. Are Europeans permitted to buy and sell lands in Java?—I believe they are. *G. Maclaine, Esq.*

1659. In the whole island, or only in certain districts?—Chiefly in the western part of the island, and also leaseholds in the native provinces.

1660. Upon what tenure are lands held by Europeans?—The principal conditions on which lands are held in full property are the payment of a land-tax, or rather property-tax, of one per cent. upon the estimated value of the property, taken periodically; that no more than one-fifth part of the yearly produce of the land shall be taken by the proprietor from the native occupant of the land in cultivation at the time of the purchase; that the roads and bridges shall be kept in repair at the expense of the proprietor. The free cultivation of every article of produce is allowed, with the exception of opium or the poppy.

1661. What may be the extent of estates held throughout the island upon the tenure you have mentioned?—The extent of estates held in property may be about 5,000 square miles.

1662. How many proprietors are there?—I should think about twenty to thirty European proprietors, and about seven to ten Chinese proprietors.

1663. Are British-born subjects allowed to hold lands upon the tenure you have mentioned?—They are.

1664. Do you know how many British proprietors there are?—I believe about eight British proprietors.

1665. What is the extent of their land?—I should think, on a rough estimate, that out of the 5,000 miles they hold about 1,800 square miles.

1666. Can you state the names of the proprietors, and the extent of the estates which any of them hold?—I have a rough estimate of the extent of the properties held by British subjects in Java, and the names of the estates: Pamawachau, the property of Sir C. Forbes and others, 1,200 square miles; Chikandie Iler, Palmer and Cockerell, 130 square miles; Chikandie, Udik, Trail and Young, 90 square miles; Jessuiga, Addison, 80 square miles; Bolan, Drury, 90 square miles; Koripan, Menzies, Maclaine, and Thomson, 70 square miles; Zegal Warn, Frazer and others, 100 square miles; Bucassie, Trail and Young, 60 square miles. Total 1,820 square miles.

1667. What do you suppose to be the population upon this extent?—About 100,000. Sir Charles Forbes's property alone has upwards of 40,000.

1668. Were those purchases made during the time the British were in possession of the island, or since it was surrendered to the Dutch government?—Many of the purchases were made before the occupancy of the island

No. 32.—A RETURN of the RATES of EXCHANGE and SIGHTS at which the Select Committee at Canton have drawn Bills on the several Presidencies in India, and the Amount, in the Year 1829-30.

(In continuation of an Account, dated 4th May 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 948.)

| CHINA SEASON. | B E N G A L. | | | |
|------------------|------------------------------|----------|----------------------------------|---|
| | RATE OF EXCHANGE. | SIGHT. | AMOUNT received at CANTON. | AMOUNT Payable at Bengal, re- duced into Sterling at the Rates fixed by the Board of Commissioners for the Affairs of India, for the re-payment of Territorial Charges, viz. 2s. the current rupee. |
| 1829-30... | a' 202 S.Rs. p' 100 dollars. | 30 days. | S. Drs. 821,520 | £. 192,499 |

There have not been any Bills drawn from Canton on the other Presidencies of India in the above year.

(Errors excepted.)

East-India House, }
4th March 1831. }

THOS. G. LLOYD,
Accountant-General.

10 March 1831. island by the British government, and two purchases only have been made since the colony was given up to the Dutch government.
G. Maclaine, Esq.

1669. Does the local government treat the British proprietors with the same justice and fairness as the Dutch proprietors?—Precisely the same of late years.

1670. In what condition are the native occupants who held the land prior to those leases being granted to the foreigners?—They may be considered as a kind of copyholders, paying a quit-rent, and they cannot be removed as long as they pay the stipulated rent. I have a copy of a title-deed to an estate, which I will deliver in.

[*The Witness delivered in the same, which is as follows :*]

(Translation from Dutch.)

WE, the undersigned, Johan Theodore Leisart and Rijck Peter Vermeulen, members and commissaries of the Court of Justice at Batavia, do declare and certify that has appeared before us J. D. Kruseman, Esq., director of government revenues and domains, who in this his quality declared that, according and in virtue of the Resolution of the India Government, bearing date 30th September 1828, No. 12, and of the approbation and ratification granted by his Excellency the minister of state, commissioner-general of Netherlands India, of the 13th November following, No. 44, has been granted to John Palmer, Esq. in full and free property, such extent of ground, with the dassas thereon, as is situated in the residency of *Bantam*, between the rivers *Auder* and *Tjidoerian*, also between the canal *Perkayassa*, commonly called *Sultan's Canal*, and the high road towards *Ceram*, known under the name of *Tjikandir Ilier*; and in his said quality further declared to cede, grant, and transfer to the said John Palmer, Esq. the said extent of land, and such under the following conditions as have been approved and ratified by the said his Excellency, and have been accepted by Messrs. Maclaine, Watson & Co., for the said John Palmer, Esq., purporting as follows:—

The cession of those lands takes place upon the same footing and manner, and under the same general rights, privileges, and restrictions which all other free allodial lands in the residency *Batavia* are possessed, with whom especially are intended the formerly *Bantam* lands situated between the rivers *Tjikandir* and *Tangerang*, and shall those lands expressly and in the same manner (as the said *Batavia* lands) be subject to the duty of quit-rent, according to the general stipulations now existing or hereafter to be emanated by government, and further to all such other duties as in future in general shall be levied by government.

The inhabitants of the said extent of ground shall, without exception, remain in possession of all such grounds as have been worked for the first time and cultivated by them, and now are under their cultivation, being obliged, however, to give one-fifth of the yearly crop to the proprietor of the lands, in the same manner as such takes place and is customary in the other free allodial lands in the residency of *Batavia*, and shall, they not fulfilling this stipulation, be deprived of such lands, to be at the disposal of the proprietor.

The proprietors have the liberty to dispose of the grounds which are now waste and not cultivated in such a manner as they think proper, whether to have them cultivated for their own account, or to sell or to rent them, in such a manner as they think to be best corresponding with their interest, without being bound as for any term of the lease, or for the amount of the rent or otherwise.

They

On a Stamp
of
80 guilders.

19 July 1881.

R. Richards, Esq.

2811. Was not the attempt to cultivate sun-hemp in Bengal at the particular residencies of the British Government at a time when supplies from the North of Europe were likely to be denied daily?—It was.

2812. And did it not cease with the renewal of that intercourse which took place with the north of Europe?—How far this cause may have influenced the cessation I know not; but I know that as well in Bengal as on the the western side of India, the attempt was a complete failure, and attended with great loss. On the island of Salsette a plantation of hemp was carried on on Government account, and large sums expended on it. The plant seemed to flourish, but when cut, and in the process of preparation for use, the whole was spoiled, whether from ignorance or negligence I know not; but the whole of the money expended in this plantation was thus a dead loss, and the attempt was consequently not renewed.

2813. To what do you attribute that failure?—I attribute it to the same causes which occasion similar failures on the part of Government in all countries where they attempt to meddle with operations which do not appertain to their particular province.

2814. Your opinion is, that individual enterprize is best calculated to promote improvements of that sort in any country?—Certainly.

2815. Are you aware that the natives of Bengal in Oude, at present imitating European indigo settlers, prepare a considerable portion of that article now exported?—The natives in Oude have got lately into a better mode of preparing indigo for this market. This may be occasioned partly, no doubt, by the influence and example of Europeans, but in a great measure also, a I conceive, by the unsaleable state of the article in this country, which from the badness of its quality, and which rendered it indispensably necessary that some improvement should take place before it could be brought into more general use and consumption, by manufacturers.

2816. Did the natives ever manufacture any indigo for export 25 or 30 years ago, or was it not entirely begun by Europeans?—Certainly not entirely begun by Europeans; for indigo as a colour was known and used in the East from the earliest times, and therefore manufactured as well as exported by natives alone. The great extension of the manufacture of indigo in Bengal of late years is no doubt to be ascribed to British enterprize and capital, but of the present produce of the Bengal provinces (exclusive of what is produced in Oude) at least about 20,000 chests are actually grown and manufactured by natives alone, and consigned by them to other natives in Calcutta. Some of the specimens manufactured by natives are to the full as fine as the most beautiful products of European factories; but this is not generally the case, a few of the native merchants only export this article direct to Europe, from not having correspondents in this country to whom to send it, the greater part therefore always passes through the hands of Europeans, as the exporting merchants.

2817. Are

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government of Madras and Bombay during the last Charter prohibited British merchants from trading to Europe in piece-goods unless such merchants consented that their goods should be provided by the commercial agents of the Company; and the Government-General on that occasion denounced such stipulations as being equivalent to a prohibition of the trade.

2853. Comparing the effects of that system which you have now alluded to of providing the Company's investment with the inconveniences which may have resulted from the importation of British cotton manufactures, which are you disposed to consider as acting most prejudicially on the interests of the Indian artizan?—The Government-General in the letter before quoted refer to various acts of rigour and oppression which were then habitually practised upon the weavers by the officers of Government, of the same kind with those I have already described in the provision of the Surat investment, and those acts are denounced in very strong language as injurious to the community at large, the interests of the Company themselves, and very inconsistent with the means of promoting the general prosperity of the country. The provision therefore of the Company's investment in the manner described in that letter must be considered, and is accordingly denounced in the letter itself as an enormous evil. The introduction of cheap British manufactures into India I take to be a positive good; the two cases in my opinion do not admit of comparison.

2854. Is it not true that the great staple manufacture every where must be of domestic production, and not foreign; and applying this principle to India, is there any risk that British cotton fabrics will ever supersede the coarse cottons of that country, which constitute in fact the main consumption of that people?—Although many articles of British manufacture are now imported into India at a far less cost than the same, or corresponding articles, can be produced in the country itself, it is quite clear that they have not altogether superseded, and probably never will supersede, the use of coarse cotton articles manufactured in India by the natives themselves. There is one very strong proof of this in the large quantity of cotton-yarn twist which is now exported from this country to India for the purpose of manufacture on the spot, and is altogether a new article of trade; but as regards coarse goods manufactured in Bengal, I believe it will be found, on reference to official returns, that certainly as large, if not greater quantities than ever of these goods are now exported to the Eastern Archipelago, (the chief market for them), whence it is clear that the manufacture has not been superseded.

2855. In the event of the British government of India being relieved from all their commercial functions, do you anticipate any inconvenience in the operation of remitting the territorial revenue to England for political and military payments?—None whatever, as I have already explained in the evidence I gave to the Committee last year.

2856. Do you know the amount of the payments made in England on an average

| Interest in favour of and against Commerce. | | | Balances for and against Commerce. | | | Increase and Decrease of the Home Bond Debt. | | |
|--|-----------------------------------|--|---------------------------------------|----------------------------|-----------|---|--------------------------------|-----------------|
| £. | From the close of 1792-3 to | £. | £. | At the close of | £. | Decrease. £. | From 1 Mar. 1793 to 1794 | Increase. £. |
| — | 1793-4 | — | 424,343 | 1792-3 | — | 1,057,850 | 1795 | — |
| 34,669 | 1794-5 | — | — | 1793-4 | 401,651 | 134,600 | 1796 | — |
| 4,514 | 1795-6 | 20,943 | — | 1794-5 | 342,244 | 508,225 | 1797 | — |
| — | 1796-7 | 78,544 | — | 1795-6 | 741,766 | 152,500 | 1798 | 459,938 |
| — | 1797-8 | 152,564 | — | 1796-7 | 854,598 | — | 1799 | — |
| — | 1798-9 | 261,706 | — | 1797-8 | 953,737 | 491,026 | 1800 | 199,975 |
| — | 1799-1800 | 330,942 | 518,426 | 1798-9 | 332,908 | — | 1801 | — |
| — | 1800-1 | 309,183 | — | 1799-1800 | — | 37,600 | 1802 | — |
| — | 1801-2 | 377,388 | 658,493 | 1800-1 | 403,712 | 32,000 | 1803 | 287,288 |
| — | 1802-3 | 344,302 | — | 1801-2 | — | — | 1804 | 95,650 |
| — | 1803-4 | 424,518 | — | 1802-3 | 728,587 | — | 1805 | 567,525 |
| — | 1804-5 | 552,678 | — | 1803-4 | 1,207,989 | — | 1806 | 185,800 |
| — | 1805-6 | 663,974 | 801,082 | 1804-5 | 715,542 | — | 1807 | 300,400 |
| — | 1806-7 | 674,166 | 1,727,734 | 1805-6 | — | — | 1808 | 1,322,500 |
| — | 1807-8 | 566,520 | 1,715,069 | 1806-7 | — | — | 1809 | 649,200 |
| — | 1808-9 | 457,245 | 2,764,798 | 1807-8 | — | — | 1810 | 45,525 |
| 5,175,490 | Balance of interest. | 5,214,673 | 8,609,945 | * Balance of Supplies } | 1,927,211 | 1,700,000 | Increase | 4,113,801 |
| 5,214,673 | | | | | 8,609,945 | 4,113,801 | | |
| Balance of Interest at the Debit of Commerce | 5,175,490 | Lowest Amount of the Debt 1799 | 1,315,737 | | | | | |
| Balance of Supplies at the Credit of Commerce | 1,927,211 | Highest Amount of the Debt 1810 | 4,900,000 | | | | | |
| Balance of the Statement at the Debit of Commerce .. £ | 3,248,279 | Increase from 1799 to 1810 | £ 3,584,263 | | | | | |
| * Balance of supplies in favour of commerce | 1,927,211 | | | | | | | |
| From which has to be deducted the sums received from Government for political freight and demurrage, which have not been brought into the Account, as the dates of re-payment were not given | 289,076 | | | | | | | |
| Actual Balance of Supplies | £ 1,638,135 | | | | | | | |

4 Aug. 1831.

J. Mill, Esq.

3267. Has it been admitted without qualification, by the governing authorities, that the zemindars had a right to cultivate those waste lands without further payment?—There is a question whether the government had any right to limit that cultivation; what has been supposed to determine the point is the question, what was naturally, according to the just interpretation of the law of 1793, to be considered as included within the limits of an estate. If there is any portion of waste that by no proper construction, at the period of the permanent settlement, could be considered as within the limits of that estate, it is held to be the property of the government; but the government have compromised the question, and as it appears to me in a very liberal manner. They have come to a resolution, that even though the property in the waste might be considered as doubtful, if it is a moderate quantity, lying between one estate and another, it shall be considered as the property of the zemindars, according to an equal distribution among themselves; but where there is any vast portion of waste, comprehending a considerable portion of country, which lies distinct by itself, and is only bordered upon by a zemindary, as it cannot with any propriety be considered as coming within the limits of any estate, it is held to be the property of government; but even there they have come to a farther compromise with the zemindars, that as far as the zemindar has cultivated any portion of that waste, it shall be regarded as his own property, as much as any other part of his zemindary; and not only so, but that such a proportion of waste as is in general annexed to cultivated land, shall be considered as his in addition; but beyond this, that a line shall be drawn, and the rest shall remain the property of the government, to be disposed of as they shall see best.

3268. Was there not a considerable dispute, at various periods, with regard to the extent to which the zemindars had a right to take the waste?—There were doubts in regard to those cases where there was a portion of waste surrounded by different estates. By a liberal construction of the permanent settlement, it might be considered that it belonged to the zemindars whose estates surrounded it, and so the government have allowed it to be considered. The only case where they have now drawn a distinction, is that of large tracts of waste country that stand by themselves, as the Sunderbunds, for example.

3269. Were not the instructions from this country to treat the zemindars with the greatest liberality upon all those occasions?—Entirely so.

3270. Has it not been held by some of the zealous supporters of the permanent settlement that government could not, in any part of Bengal, Behar and Orissa, without an interference with the rights of the zemindars, make any other than a permanent settlement?—Yes, that opinion has been held.

3271. Has that opinion been sanctioned by the authorities at home?—Not at all.

3272. You state that when government have purchased the interest which the zemindar had in any estate, a settlement was made with the ryots individually,

vidually, and a gross sum was collected from each ryot; did that gross sum include both the government revenue and the rent which previously to the sale was paid to the zemindar?—It includes the whole of what it is understood to be equitable that the ryot should pay.

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3273. Is there any distinction kept up in those cases between the two payments?—No distinction is kept up.

3274. You were understood to state, that in your opinion the ryots originally had rights; if that be so, although those rights may be difficult to be ascertained, it is presumed they cannot be lost?—It is understood that practically they have been destroyed by the interpretation which the courts have made of the law of the permanent settlement.

3275. Which decisions, you were understood to say, arose out of a particular case?—They have arisen from a great variety of cases. What I stated was, that a class of cases appear to me to have given the beginning of the understanding that the rights of the ryots were granted away by the law of the permanent settlement, and that the zemindars were made sole proprietors of the soil.

3276. Are those decisions considered conclusive?—They are considered at present to be conclusive, because the consequence is that the ryots are now considered as tenants at will, and subject to no limitation in respect of the demand that may be made upon them by the zemindars; and if a law were made to establish a right of permanent occupancy in those ryots, there would be a great outcry on the part of the zemindars, and they would complain that the law of the permanent settlement had been violated.

3277. Are you not of opinion that the ends of justice would be more completely answered by the interference of government to maintain the rights of the ryots, than by leaving the ryots at the mercy of the zemindars?—It would be a choice of evils: if you take the numerical amount, it is of more importance that the rights of tens of thousands should be reinstated than that the rights of a few should be confirmed; but according to the present interpretation of the law, the zemindars, I think, are entitled to consider the power they exercise as their right.

3278. Before those courts had put that interpretation upon the law, you were understood to say that the ryots were considered to have the right?—That is my opinion, and the opinion also of very instructed men; but I also stated that it was the opinion of other instructed men that they had not those rights.

3279. Do you mean that the ryot was the original proprietor of the soil?—I should not say that, because I am exceedingly anxious, with regard to India, to avoid the term proprietor of the soil; I think a great deal of misconception has arisen out of the use of that word.

3280. Do you think that the ryot has abandoned the idea of having the right,

4 Aug. 1831.

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right, or that he feels it a grievance?—I have no doubt he feels the grievance severely, but he submits to the law of necessity.

3281. Did not the mere inquiry into the rights of the government over the jungle lands, occasion much alarm amongst the zemindars of Bengal, and were not numerous petitions, submitting that such an inquiry was a violation of the permanent settlement, presented to the Governor General?—The zemindars are never very slow in taking alarm, and they are never very scrupulous in sending petitions, but I think there never was any occasion for alarm. There were two circumstances that may have given occasion to some alarm on their part, and probably the question refers to them. A resolution was adopted by the government in 1819, and a regulation passed for the purpose of inquiring into such lands in Bengal as were held rent-free, without a valid title. That regulation, and the attempt to make that inquiry, did produce considerable alarm among them, because they knew perfectly that they did hold a large proportion of land without any valid tenure; there was a great deal of concealed land that had never been brought to account.

3282. Are the Committee to infer from the answer you have given, that it is your opinion, that there did not originally exist in India any absolute exclusive property in the soil, in the same way that it exists in Europe?—I am glad that question is put, because it relates to a matter which appears to me to be at the foundation of almost every difficulty in the inquiry into this great subject, and that by not attending to it much confusion has been incurred. I conceive that generally, at one time, the lands in India were occupied by ryots who had a right of perpetual occupancy; they were the hereditary tenants and cultivators of the land; I conceive that from them the revenue was collected by the officers of government, and that to the demand of government there was no limit. By long practice there was something established that was considered to be a kind of standard, beyond which the government would not readily go, but it was always understood that the government had a right to go as far as it pleased. I fancy that government never went to less than the full rent of the soil, and in those cases there were but two parties really connected with the land: there was the mass of immediate cultivators, holding by right of perpetual occupancy, who could not be turned out as long as they paid the rent demanded of them; and there was the government, which I conceive always obtained a complete rent. It frequently happened, from the disposition to collect the rent in a summary manner, that middle-men were interposed in the shape of mere renters; a certain district was rented, and the man held it only for such a length of time, as he was entitled by his lease. In Bengal and in various other places the summary process was carried to a considerable extent, and men of eminence and men of family acted as revenue managers of considerable districts: from the tendency in India of almost all things to become hereditary, those zemindaries often continued from father to son, and in that situation we found the zemindars under the previous governments. There were also many cases in which the government gave away the rent of the land

10 March 1831.

G. MacLaine, Esq.

1712. Will you state in what way you yourself proceeded when you came into possession of your estate, to provide yourself with tenants and labourers?—I found tenants and labourers resort in numbers to the plantation.

1713. What is their particular inducement to resort to estates held by Europeans?—The security they feel under Europeans, and their total exemption from feudal services and extortion.

1714. Do the Chinese proprietors experience any difficulty in obtaining labourers and tenants?—They are generally thought severer masters than Europeans; but I have known many striking instances to the contrary.

1715. What is the state of the police in those parts of the island occupied by Europeans as compared with those parts occupied by natives?—In those parts held by Europeans, thefts and robberies are very seldom heard of. I have known an instance or two of paltry thefts; of stealing a cow, for instance; but I have very seldom heard of any extensive robberies; indeed never.

1716. Have you ever heard of any instance of personal violence towards Europeans?—None whatever.

1717. Do you think the natives of Java place more reliance on the justice and kindness of Europeans than on that of native proprietors?—I have seen many striking instances of their doing so.

1718. Can you state what is the rate of wages of the natives of Java?—In the western districts of the island, where the Europeans hold their estates, a labourer gets about 4*d.* a day; in the native provinces about 2*d.* to 2½*d.* a day. They feed themselves; and they bring their agricultural implements with them.

1719. What is their chief food?—Chiefly rice in the low grounds. They eat a kind of Indian corn or maize in the hilly districts, and a little sugar made from the palm-tree, but not in very large quantities.

1720. Are they generally well fed and well clothed?—They are generally well fed and well clothed, and well housed, for the climate.

1721. Has the salubrity of the climate and the facility of procuring food any tendency to make them indolent?—I believe not, where property is secure; at least it has not that effect with the Chinese in Java.

1722. Have you Chinese labourers as well as Javanese?—We have in the western district.

1723. What are the day wages of a Chinese labourer as compared with that of a Javanese?—A Chinese labourer gets generally about three times the wages of a Javanese labourer. The Chinese are chiefly artisans and merchants, and therefore, on that account, their wages are higher.

1724. Is any passport or license necessary for an European who wishes to settle in Java?—Yes; a foreigner is obliged to apply to the colonial government for permission to remain in the country.

1725. Supposing

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create capital in either case. The zemindars are notoriously not accumulators. The zemindars of the interior, those originally constituted, are a class habitually and even proverbially improvident and spendthrift; they are, with scarcely any exception, prodigal men, who waste whatever they have as fast as they can obtain it. The case is different, to a certain degree, with those men not connected with the land, who have purchased estates and live in Calcutta. They are capitalists, and as far as that class are concerned, it is very likely there is accumulation in their hands.

3344. Do you think that it tends to create a landed interest?—In Bengal it certainly has not had that effect. To a very great degree the original possessors have, from their own improvidence and other causes, lost their estates. Few of the old zemindars now exist. The men who now hold the property are not resident; they are capitalists who reside in the towns, and manage by their agents.

3345. Are not those evils owing to the circumstance of the zemindars being defective in their personal character, and not the best qualified; or are they part of the system?—They are not saving men; and I think that may be predicated generally of the persons that live upon rent. I know no country in which the class of men whose income is derived from rent can be considered as accumulators; they are men who spend their incomes, with a very moderate portion of exceptions.

3346. Is it generally true that the more prosperous the upper classes are that live by rents, the chance is that there will be more prosperity in the other classes?—The question turns upon the effect of their expenditure. Now the effect of their expenditure upon the accumulation of capital is in my opinion very little indeed, if any thing at all; because their consumption is all dead consumption; it is not reproductive consumption in the smallest degree. The only consumption that is a source of accumulation, is the consumption that takes place for the sake of reproduction. I do not conceive that a country is considered the richer for the expenses of an army for example: and for the same reason it is not the richer for the expense of those who spend their incomes.

3347. Is it not the fact that the cultivation has extended in those provinces where the zemindary system prevails?—I believe that is the fact.

3348. To what do you ascribe that?—There can be no doubt that this extension of cultivation implies an increase both of population and of capital. In order to enable the country to extend its cultivation further, capital must have been applied to it, unless old land at the same time had gone out of cultivation. I have no doubt that there has been in Bengal considerable increase of capital and extension of cultivation; but it is another question whether that has been owing to the zemindary system.

3349. Would you not ascribe that accumulation of capital in any degree to the zemindary system?—I should ascribe it in no degree whatever, because I have

1725. Supposing a British-born subject wished to proceed from this country to Java, would it be necessary for him previously to obtain the permission of the Dutch authorities?—By no means. On his arrival in Java he would have merely to apply for letters of citizenship, which are easily obtained, and which give him the rights and immunities of a Dutch citizen. 10 March 1881.
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1726. What advantage did these letters of citizenship confer upon you?—They gave me nominally the rights and immunities of a Dutch citizen.

1727. Did you find yourself exactly in the same situation, as to all commercial advantages and immunities, as a Dutch citizen. Precisely the same.

1728. Are those letters of citizenship ever withdrawn?—I do not remember an instance; but I should presume, in cases of bad conduct, they are.

1729. Do they require renewal after a certain period?—No, they do not.

1730. What did you pay for these letters of citizenship?—A stamp of one hundred guilders.

1731. Do letters of citizenship once obtained last for your life?—They last for life.

1732. Are there not also letters of naturalization?—There are.

1733. Do those confer any superior privilege?—They are considered to do so. The only privilege that I am aware of is, that a person holding letters of naturalization can hold a government appointment, which a person holding letters of citizenship cannot; but as far as regards commercial privileges, I believe letters of citizenship are quite equal.

1734. Have you the right, holding letters of citizenship, to dispose of property you possess?—We have, either on leases or in fee, or by will, the same as a Dutch natural-born subject of his Majesty.

1735. Is there any difficulty of obtaining letters of naturalization?—I believe not; they were seldom thought worth asking for.

1736. In travelling through the interior of the island, is it necessary to have a passport?—It is.

1737. Is that obtained without difficulty?—Without the slightest difficulty.

1738. At what expense?—Formerly it was given gratis, but lately at the charge of a few pence.

1739. Is that passport equally necessary for British-born subjects, for subjects of the king of Holland, and for Chinese and for natives?—They are all put upon the same footing; it is universally required, except that a military officer of course does not require it.

1740. Are the police regulations such as to occasion a person any difficulty in travelling about in the interior of the island?—I never experienced the slightest difficulty; I always met with the greatest attention from the public authorities.

1741. Have

have no idea that the zemindary system is favourable to the accumulation of capital in the hands of the ryots, and there is express evidence of the fact, that it is the ryots and not the zemindars who have extended the cultivation.

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3350. By what means have the ryots extended the cultivation?—Their numbers have increased; and where an estate of a zemindar borders upon waste land, it has been found that the ryots generally have advanced upon the waste, and have carried on the cultivation by degrees.

3351. Do you think the ryots have accumulated capital?—The ryots cannot have done this without an extension of capital equal to those effects. They have multiplied considerably, and when the families increase, there is a subdivision of the property, and in consequence of the subdivision of the property, there is a stimulus to the members of the family among whom the subdivision has been made to increase their income, by attempting to cultivate the waste.

3352. If the ryots have in any degree accumulated capital, is not that a proof that their situation has somewhat improved?—Of some of them no doubt it has.

3353. Then you would not say that the effect of the zemindary settlement has been unmixed injury to the ryots?—Where the ryots have had an opportunity of obtaining fresh land, under certain advantages, they have been able, under the zemindary system, to extend cultivation; but I conceive that they would have effected it better under another system.

3354. To what extent has the waste land been cultivated?—I doubt whether it would be possible to answer that question by any documents we have got. In proportion to the cultivated land it is very small. There have been considerable portions of the Sunderbunds cultivated by the ryots bordering on the Sunderbunds; and considerable portions of the intermediate waste, inclosed among different estates in other parts of the country, have also been gradually brought under cultivation; and this has appeared much more in the case of some estates than of others. The evidence of which is the increased value of some estates when they come to be sold.

3355. In those cases where waste lands have been cultivated by the ryots, are you aware whether it has been in consequence of particular encouragement being given by the zemindars?—It has been mostly owing, I believe, to accidental circumstances; I am not aware of any instance of encouragement having been given by the zemindars, and I have a distinct recollection of statements, more than one, by the collectors in those districts, that the progress of cultivation is owing entirely to the ryots, and not to the zemindars.

3356. In those cases do you suppose that the ryots pay the zemindars for the waste land at the same rate that they do for the other lands?—We do not know exactly the rate. It is customary in India to exact no rent for the waste land for three years, and I have no doubt that custom has been observed by the zemindars. After three years, a moderate revenue is

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1741. Have you visited the British settlement at Singapore?—I have.

1742. Were you called upon for a license on your arrival there?—I was not.

1743. Did you understand that it was necessary for a resident at Singapore to be provided with a license?—I never understood so; however, I went there from Java as a Dutch citizen.

1744. In what condition is Java with respect to internal communication, as to roads and bridges?—Most beautiful roads from one end of Java to the other.

1745. At what rate can you travel?—You can post from one end of the island to the other, at the rate of ten miles an hour, a distance of from 600 to 700 miles; that is along the main road.

1746. Are there cross-roads?—There are about 400 or 500 miles of cross-roads.

1747. Are there any new roads being constructed at present?—There is a very extensive road at present commenced, at the expense of government, which is to go along the south-west coast of the island, equal in extent to the one at present on the north end of the island.

1748. How does government supply itself with funds for that undertaking?—The revenue of the island is very considerable; they have a revenue, I think, of from 23,000,000 to 30,000,000 of guilders a year.

1749. Is there any particular tax applicable to that particular object?—No; the natives are obliged to give so many days' labour in a month, upon the same footing as what we call statute labour in this country.

1750. At what distance is the territory held by the Europeans from Batavia?—Some of the estates are 100 miles distant, and the great part are in the immediate neighbourhood, twenty or thirty or forty miles.

1751. Is that a hilly district?—Part of it hilly. In the Bantam district there is rice-land very low.

1752. How is the government of Java administered?—By a governor, appointed by the king, and four members of council; a regularly organized government.

1753. Is the governor a military man?—The present governor-general is a military man.

1754. Are the council military or civil?—Some military, some civil.

1755. Do they sit in the council in the right of their offices, or are they selected?—No, they are selected.

1756. Are the measures determined by a majority of the council, or has the governor any particular voice?—It is understood to be by a majority.

1757. What system of law exists in Java?—The Dutch law. They formerly

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demand for a small number of years more, and after a certain number, what is reckoned the standard assessment of the district.

3357. Is that remission of rent for three years practised by the government in respect of the zemindars, as well as by the zemindars in respect of the ryots?—Under the permanent settlement, government take no account of their cultivation; in all cases where there is not a permanent settlement, the cultivation of the waste is always rent-free for a certain number of years, and afterwards a progressive rise of rent.

3358. Where the ryot takes in waste land, does government never increase the revenue exacted from the zemindar whose estate is enlarged by that cultivation?—Not at all.

3359. You are probably aware that Lord Cornwallis stated, that in the year 1793 one third of those provinces was waste and uninhabited, except by wild animals; how much do you suppose of that is still subject to the same character?—I imagine that the amount being so very great, the proportion of what is newly cultivated is very small; I should not conceive that the whole of the waste that has come under cultivation could extend to many thousands of inhabitants; but of course this answer is conjectural.

3360. Without reference to the Sunderbunds, what proportion do you conceive that the newly cultivated land bears to the land which was in cultivation at the time of the permanent settlement?—I should think it is so small a proportion compared with all that was under cultivation before, that it is not easy to name it; it would be a very small fraction.

3361. If Lord Cornwallis stated that, at the time of the permanent settlement, one third of the land was in a state of waste, do you conceive that the same fraction of one third would nearly express the quantity that is now in a state of waste?—I rather think, unless I misrecollect, that Lord Cornwallis's statement was, that there was only one third of Bengal under cultivation; he did not however mean to say, that there were two thirds absolutely waste, for a large portion of that which is not under cultivation is still considered as pasture land. It is in one sense waste, but it is not absolutely useless. Lord Cornwallis may have also declared that there was a full third of Bengal that was jungle, and absolutely useless. But within a few years the declaration has been repeated, by people upon the spot, that not above one third of Bengal is under cultivation.

3362. Then, according to that statement, there would be one third under cultivation, one third in a state of jungle, and one third in an intermediate state?—That is probably something of an approximation to the fact.

3363. Do you think that those proportions have been much changed since the time of Lord Cornwallis?—The proportions, I should say, cannot be very considerably changed, because the amount of land is so great that the increase of cultivation bears a very small proportion to it, although absolutely it is considerable.

3364. If

formerly used to have the code Napoleon also ; but it is chiefly now the Dutch law. 10 March 1831.

1758. Is it to that law that both natives and Europeans are subject ?—In the native provinces the government do not interfere, they are governed by their own native laws ; in the government territories, of course, by the European. There are circuit judges appointed to go round the government territories at different periods to try causes. *G. MacLaine, Esq.*

1759. Are Europeans and natives subject to the same law ?—In civil cases I think there is a kind of inferior court, where some of the native chiefs sit as judges themselves. Europeans, of course, go to the supreme court of justice.

1760. You stated, that the natives were well clothed in those districts ; what sort of clothing do they wear ?—Cotton clothing.

1761. Is that cotton generally the manufacture of the island ?—In the central district it is generally the manufacture of the island.

1762. You have stated, that an individual may reside there with a letter of citizenship ; supposing that individual to die, leaving a son resident upon the property, would he require a letter of citizenship too, or would he be considered as a native ?—I do not think he would require a letter of citizenship ; I have not known an instance of its happening.

1763. Have the Europeans settled in Java been engaged in constructing roads and bridges themselves ?—They have, upon their estates. I, myself, have made forty miles of roads.

1764. Do they act as magistrates ?—They are not allowed to interfere in the police ; the government hold the police entirely in their own hands.

1765. What does the revenue of Java consist of ?—It is generally a land-tax ; and they also derive a great deal from monopolies and the privilege of selling opium, and from birds'-nests ; also from the import and export duties.

1766. What rules are followed in managing the land-revenue, with regard to the rate of tax levied ?—The government generally takes two-fifths of the produce. It varies in every district ; but, generally speaking, they take two-fifths of the produce of the land, taken sometimes in kind and sometimes in money. The government themselves take two-fifths of the produce from the natives within their territories ; but an European planter or landholder is allowed only to take one-fifth.

1767. Do you mean, that when the native holds from the government he pays two-fifths, and when he holds from an European he pays one-fifth ?—Exactly.

1768. When he holds from an European, does he also pay any direct tax to the government for the land ?—No tax whatever.

1769. What tenure has the occupier in his land ?—He gets a lease from the government.

1770. Of what term ?—The conditions are, that he is to pay a certain proportion

3364. If the increased cultivation, whether to a smaller or greater extent, is to be ascribed to the ryots, has the zemindary system operated injuriously to the ryot; and do you conceive that under some other system the increased cultivation by the ryots would have been carried to a still greater extent?—I think that it would have been carried to a greater extent under another system, because I consider that the operation of the zemindary system has been unfavourable to the ryots.

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3365. From the knowledge you possess, do you suppose that the habits and comforts of the people in those provinces are improved?—There is no satisfactory evidence of the degree of improvement that has taken place, and I say so with more confidence because so many of the persons with whom I have conversed, and who have had most opportunities of seeing Bengal, give directly opposite opinions upon the subject; one man will say there is considerable improvement, another will say there is none, and perhaps a third will declare there is a declension. There can be no doubt that the circumstances in which Bengal has been placed, independently of the zemindary system, have for a number of years been unusually favourable to the population generally, because they have been exempted from wars; they have been exempted from the ravages of an enemy of any description; they have enjoyed perfect tranquillity, and, to a certain degree, the protection of law. One evil which ought to be mentioned, a great proportion of which I think can hardly be ascribed to any other cause than the operation of the zemindary system, was the dacoity, or gang robbery, which prevailed to a frightful degree in Bengal a number of years ago, notwithstanding the general timidity and passiveness of the people. The evidence affords rather the means of inference than direct proof of the point; but I cannot help believing, that the degree in which the ryots were exasperated by being deprived of their rights, when the operation of the zemindary system began to be felt by them, was one great cause of those great enormities.

3366. Did not they exist prior to that period?—Not in any so alarming a degree.

3367. Of what class of persons did the dacoits consist?—Chiefly of the agricultural population in all parts of Bengal, the ryots.

3368. What is the state of dacoity at present?—Exceedingly reduced; it is not altogether extinguished, but it now does not exist in a degree to be any very remarkable evil.

3369. Do you think the people are taking more to agricultural habits?—Great exertions, no doubt, were made to put down the practice; there were severe examples made, and every thing was done to render the police effective, and those exertions no doubt had their effect; but I believe that the disposition of the people to acquiesce in what they found was remediless has also had its effect.

3370. Might it not be possible that there has been less oppression on the part of the landlords?—We have not any evidence to that effect; and I conceive

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1771. What tax does the European proprietor pay to the government?—An annual land-tax of one per cent. upon the estimated value of the estate.

1772. How is that estimate made?—It is made periodically, I think every three years, by the government. It is a property or land-tax of one per cent. upon the estimated value of the estate; and for the purpose of estimating the value, they ask the proprietors for an account of the returns of the estate, upon which I suppose the calculation is made: but it is entirely within their own power, and it is quite arbitrary. Some estates are valued much higher than they ought to be, and some much lower.

1773. Is this a tax paid only by Europeans?—It is.

1774. Can you state what the proportion is between the one per cent. on the value paid by the European proprietor, and two-fifths of the produce paid by the native proprietor?—I cannot state that.

1775. Do you conceive the one per cent. to be a smaller tax than the other?—I should think it a smaller tax.

1776. Supposing an European proprietor were called upon to pay the same tax as a native pays, namely, two-fifths of the gross produce, would he be enabled to lay out capital in the cultivation of the soil?—I would not, certainly, as a land-holder.

1777. Is the climate of Java favourable or otherwise to European constitutions?—In the hilly district it is rather favourable; it is as salubrious as any part of British India. The town of Batavia is considered very unhealthy, but not so much as it was.

1778. To what do you attribute the improvement of the town of Batavia?—To knocking down the walls which formerly surrounded it, and to the filling up of the canals.

1779. Does the Dutch government patronize the arts and sciences at all in Java?—It does very much.

1780. Have they any establishment for that purpose?—When I left the island there were six or seven German naturalists employed at the expense of government in making collections in different parts of the island.

1781. Have they any establishments for the promotion of education or religion among the natives?—There are several missionaries, but they have not made many proselytes.

1782. Have you visited Manilla, the capital of the Philippine Islands?—I have.

1783. What stay did you make there?—A fortnight.

1784. Did you visit it for commercial purposes?—Entirely for commercial purposes.

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ceive that the ground of the exasperation was, in the first instance, when the men, who considered that they had a right to hereditary occupancy, were either turned out of their possession, or had the rates increased upon them to such a degree that they could not retain them, then it was that they became desperate, and had recourse to those extremities.

3371. Supposing that, under the zemindary system, the rights of the ryots had been defined and recognized at the same time that the property was vested in the zemindars, do you think in that case the same consequences would have followed, or would not prosperity have been attainable as well under the zemindary system as any other?—I think so. If it had been possible to define the payment of the ryots, and to prevent exaction beyond it, the interests of the ryots would have been effectually preserved. In that case the only objection I should have had to the zemindary system would have been, that it was an alienation of the resources of government answering no good end.

3372. You have stated many advantages which the Bengal provinces have enjoyed during a series of years; considering all those advantages, should you have expected a larger progress of improvement at the end of such a period?—It is not easy for a people in the peculiar and unhappy circumstances in which the inhabitants of Bengal were placed when our government was extended over them, to exhibit a rapid improvement, because they were exceedingly poor, liable to be affected by every species of accident in a degree which is not at all felt by people whose circumstances are more favourable. From the insecurity of property which, till the time of British rule, was perfectly habitual in the country, improvidence was almost universal amongst all ranks. The people, beyond a small number of the mercantile class, have not a notion of accumulation. Every individual spends as fast as he can; and the disposition of the ryots generally is not to accumulate, but to make away within the year with almost every thing which the year affords them; and notwithstanding the simplicity of their habits, they find means very easily of spending what comes into their hands, for they run to immense expenses at marriages, and at the births of children, in religious obsequies, and in feeding Brahmins, which is their great delight.

3373. You have stated some of the disadvantages of the zemindary settlement; are there any other evils attached to it?—The evils attached to it have been pretty completely anticipated by the questions that have been already put. The great evil resulting from it was undoubtedly the annihilation that took place in consequence of it of the rights of the hereditary ryots. I conceive that that has not been counterbalanced by any advantages to the ryots; it has not been counterbalanced by that conception of their own interests, on the part of the zemindars, which was anticipated by Lord Cornwallis, that they would see how much their interests were concerned in the prosperity of the ryots, and in allowing them the means of accumulating property. I believe they have been wholly insensible to those advantages, and have exacted from the ryots as much as they could obtain.

3374. Has

1785. Is there any considerable import and consumption of British manufactures in the Philippine Islands?—A very considerable. 10 March 1831.

1786. Do the imports and exports to the Philippine Islands resemble those of Java?—They do; they are chiefly cotton goods, iron, and steel. *G. MacLaine, Esq.*

1787. Is there a considerable quantity of sugar manufactured in the Philippine Islands?—In 1825, when I visited the island, there were 120,000 peculs exported.

1788. Is the quantity increasing or diminishing?—I should imagine it is about the same.

1789. Is indigo manufactured in any quantity?—It is, but of a very inferior quality.

1790. Is hemp an article of export there?—It is.

1791. Of what quality is the hemp?—It is thought of very good quality; it is used chiefly for cordage and running rigging.

1792. Is tobacco extensively produced also?—It is very extensively produced.

1793. Is it produced in sufficient quantities for export?—It is; it is exported in a manufactured state in very large quantities. It is, I believe, thought the best quality of tobacco in the East.

1794. Is that a government monopoly?—Entirely a government monopoly.

1795. Did you see the manufacture of it?—I did.

1796. Is there any peculiarity in its manufacture?—The manufacture of cigars is entirely conducted by women; there are about 5,000 women employed in the town of Manilla by the government in manufacturing cigars.

1797. Do you know what the population of the Philippine Islands is calculated at?—I have heard it stated from a million and a half to two millions.

1798. Is the tobacco which you state to be a government monopoly, cultivated by free labour or by forced labour?—I did not visit the interior.

1799. Do you know what military force the Spanish government maintains in those islands?—About 2,000 in the town of Manilla and the immediate neighbourhood.

1800. By what means has the Spanish authority been maintained and enforced in so extensive a territory?—Chiefly by the Roman-catholic priests, European priests, and the descendants of Europeans.

1801. Has the Christian religion made extensive progress in the Philippine Islands?—It has; in the town of Manilla the natives call themselves Christians, and the Chinese also.

1802. Do you mean to say, that the population is for the most part Christian?—I cannot answer that question correctly; but in the town of Manilla all the Chinese and the natives call themselves Christians, and they attend divine worship as Christians.

3374. Has it not been the object of our government to secure to the ryots as much protection and advantage as was compatible with the situation in which they were placed?—Under the permanent settlement I conceive the government to have denuded itself of that power.

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3375. Assuming them to be placed as tenants of the zemindars, has the ryot the power now of protecting himself against the operations of the zemindar?—Not of protecting himself against any charge that the zemindar may make for rent; he may exact anything in that shape that he pleases, according to the existing interpretation of the law.

3376. Then what resource has the ryot?—I conceive no resource at all; he must either pay what is demanded of him, or he must quit.

3377. Can he resort to the courts of justice?—He may institute a suit, but according to the current of decisions, the suit would go against him.

3378. Did not Lord Cornwallis always contemplate the reservation of the rights of the ryots?—No doubt. A proclamation was issued by the government previously to the enactment of the permanent settlement, in which the rights of all parties connected with the land were declared to be unaffected; and the regulations by which the permanent settlement was made reserved them also in the fullest manner.

3379. When you talked of the revenue being collected with greater facility, do you include in that the greater cheapness of collection under the permanent settlement?—No doubt the revenue is received in Bengal with a less apparatus of officers, and at a less cost, than it is in other places; but there is far more than a compensation for that in the advantages which have been transferred to the zemindar; he receives more than enough from the land to pay the expense which he must be at in carrying on the collection in detail.

3380. Has not the revenue of the Bengal provinces increased very much since the establishment of the permanent settlement?—It has increased, and is progressive. I do not recollect what was the amount of it at the period of the permanent settlement; it has been slowly on the increase down to the present time. I have a statement of the progress for the last seven years. I can mention the nett revenue in the lower provinces in Bengal, Behar, and Orissa, not including Benares, for the last seven years, terminating with 1828-29. The nett revenue, including both the land and the customs revenue, is three crore twelve lacs in the first of those years, three crore eight lacs the next, three crore nineteen lacs the next, three crore seventeen lacs the next, three crore fifteen lacs the next, three crore nineteen lacs the next, and three crore twenty-nine lacs in the last; there is the difference, therefore, between twelve lacs and twenty-nine lacs in the course of those seven years, although the last of those years was probably an extraordinary year, since it rose ten lacs above the preceding.

3381. Has any alteration of the customs taken place in the course of that time to affect the amount?—Not in the rate of duties, or but little; there has been within that period a diminution of the transit duties on piece goods and

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1803. Is there much commercial intercourse between the Philippine Islands and China?—Very considerable.

1804. By what vessels is the trade chiefly carried on?—By Chinese junks, by American and Spanish vessels and Portuguese ships.

1805. Have the English any share in that carrying trade?—No, they are not allowed to visit China.

1806. What are the chief articles of import and export in that trade between the Philippine Islands and China?—The chief articles of import are tea, Chinese piece-goods, and provisions; the chief articles of export, tortoiseshell, mother-o'-pearl shells; also rice, in large quantities.

1807. Are Europeans allowed to settle in the Philippine Islands?—They are.

1808. On what terms?—I do not know the terms; I saw several Portuguese and French planters there.

1809. Do you know whether Europeans are permitted to buy and sell lands there without restriction?—I know that Europeans are allowed to hold land, but I cannot state upon what terms.

1810. Have you read the evidence given by Mr. Maxwell last year, upon the subject of the China trade?—I have.

1811. Are you the gentleman there alluded to, as the owner of a Dutch ship, who disposed of a quantity of rice at Canton?—I am.

1812. Were you exempt from the port-dues and the presents under certain circumstances?—I was.

1813. Can you give any explanation to the Committee of those circumstances?—I can; I have here an answer to a petition which I received from the viceroy, which states the transaction. I heard at Singapore, on my way to China, that vessels going from any port to China with a cargo of 4,500 peculs of rice, were exempt from the measurement duty. In consequence of hearing this, I laid in a cargo of 4,500 peculs; but on the way up the ship met with a typhoon, and was obliged to throw one half of the cargo overboard, and came in of course without the prescribed quantity on board; but by petitioning the Chinese government I got over the difficulties, and they exempted the ship from all duties.

1814. Was that exemption in consequence of any scarcity of rice at that time?—I did not understand there was any particular scarcity at that time; but it has always, I believe, been the policy of the government to encourage as much as possible the importation of rice.

1815. Was it necessary for you to make any particular interest with the Chinese government?—I merely got one of the Chinese to translate my petition, which was sent in through Howqua, the security-merchant, to the viceroy, and in three days I had the answer from the viceroy, of which I have a translation, made by one of the gentlemen of the Company's factory.

1816. Did

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and raw cotton, but there has been considerable change in the amount of collection. The result is different in Benares; there is a considerable decline in the land revenue.

3382. Has that portion of the amount which is land revenue increased in the same proportion as the total?—Not in the same proportion as the total, but it is increased; this paper has been made out without the distinction between the two; I see that the land and sayer are both included.

3383. In what years has there been a decline in Benares?—In the same years, from 1822 to 1829.

3384. You have stated, that both Lord Cornwallis's Proclamation and the Regulation of 1793 itself, reserved the rights of the ryots; upon what principle, in the face of those documents, have the courts decided that the ryots have no rights?—In the discussion to which I alluded in my former examination, there were minutes recorded by the Judges of the Sudder Adawlut, on the reference to them of the minute in which Mr. Harrington maintained that the ryots of Bengal had rights which had been greatly trenched upon, and in consequence of which he proposed that a new Regulation should be formed for the protection of the ryots. The judges assumed that the ryots in Bengal never had any rights, that they were tenants at will, and that when government therefore transferred the land to the zemindars, they transferred it without any restriction in reference to the ryots.

3385. Were those discussions shortly after the Regulations, or more recently?—The discussion to which I am now alluding is a recent one, it took place in 1828; the decisions of the courts were a number of years anterior; and they seem to have originated, without any very great degree of discussion, in the idea, that when an estate was sold and bought, the purchaser bought the entire power over the property, and of course over the tenants.

3386. Was not that inconsistent with the Regulations?—No Regulation had been made to prevent it; what had been done in the Regulations was, to declare that whatever rights the ryots had, were not intended to be given away by the permanent settlement.

3387. Was not it the desire of Lord Cornwallis, that the settlement with regard to the ryots should be as permanent as that with regard to the zemindars?—The expression is merely that of a reservation of their existing rights; a declaration that whatever rights of other parties on the land existed, the rights of talookdars, the rights of ryots, they were not transferred by the permanent settlement; they remained as they were before; and the government reserved to itself the power of interfering to make new regulations for the purpose of further protection if it was necessary. With this reservation, had it been the understanding of the judges that the ryots did possess rights anterior to the permanent settlement, I should have considered their decisions to be not consistent with those regulations.

3388. There being at least a great diversity of opinion among the government

1816. Did you experience any difficulty in carrying on that transaction with the Chinese government?—Not the slightest. 10 March 1831.

1817. Have the goodness to deliver in the translation of the answer?—

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[*The witness delivered in the same, which was read as follows :*]

“ From the Hoppo, dated the 4th year, 10th moon and 29th day, Ysuh, Hoppo of Canton, &c. &c. to the Hong merchants,—I have received a communication from his Excellency the Viceroy, as follows: ‘ On the 27th instant the merchants presented a translation of the petition of the Holland captain, Fa-lent, to this effect:—I, (the foreigner) being on my way from Batavia (Kea-la-pa) to Canton, had proceeded as far as Sincapore (Shing-yaspo) when I received an express from the king of my nation, informing me that the CELESTIAL DYNASTY had issued a decree permitting foreign ships which brought rice to Canton to be exempt from port-charges, and allowing them to take away a return-cargo. I (the foreigner) immediately sold my goods on board and purchased 4,500 pecculs of rice, and set sail for Canton on the 4th of the 8th moon. On the 27th of the 9th moon I met with a raging wind, which dismasted my vessel, and there were presently more than three cubits water in the hold. Being nearly sinking, we (the foreigners) hastily threw overboard some of the rice on board, which relieved the ship; but as the rice at present on board is below the prescribed quantity, and is besides much injured by wet, I implore your Excellency to look down upon us foreigners, and to consider that we have come from a great distance on the vast ocean, and have met with a tempest which obliged us to throw overboard our merchandise. We entreat that your Excellency will of your great compassion remit our port-duties, and permit us to take a return cargo, &c. &c. Now, as Fa-lent’s ship, on her way to Canton with rice on board, met with a tempest, though the quantity of rice now on board is below the prescribed quantity, still it is right to second the compassionating benevolence of his Majesty the Emperor, and permit the port-charges to be remitted, as well as grant a return-cargo on paying the duties. I therefore address this to the Hoppo, requesting that he will return an account of the duties when the unloading is commenced and concluded.’ This coming to me, the Hoppo, I issue a mandate to the merchants, desiring them to acquaint me with the above particulars, that I may send a reply. Do not oppose a special mandate.”

1818. Are not the proprietors of estates in Java obliged to bring all their produce to Batavia, and not allowed to ship in the nearest ports?—I only know of three estates on the coast, and I believe the proprietors are obliged to bring their produce to Batavia.

1819. In speaking of the one-per-cent. tax levied by the Dutch government, are you not aware that in some instances that is double the rate which they formerly charged?—I am; it was originally half, and it was changed afterwards to one per cent.

1820. Has that been complained of by the proprietors of the estates?—It has in one particular instance been very much complained of, on Sir Charles Forbes’s estate, as a breach of faith on the part of the Dutch government.

1821. Are feudal services still demanded upon all the estate, or only partially?—Only partially.

1822. Are not those services considered very grievous on the part of the natives?—

ment officers in Bengal as to the existence of those rights, to what do you ascribe it that the court assumed that they had no rights; do you attribute it to the want of sufficient information?—No doubt to the want of sufficient information: according to the view I take of the original rights of the ryots, and the mode in which I have accounted in my own mind for the course they have pursued is, that they were misled by the term property and the term purchase. They carried in their minds the idea of the whole of the powers and privileges which are annexed to the purchase of land in England, amounting to unlimited power over the tenants; and it appears to me that by this idea they were commonly misled.

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3389. Has there been any appeal to the Privy Council in England?—Not any.

3390. Do you recollect whether the minutes of those gentlemen belonging to the Sudder Adawlut entered particularly into the reasons for opposing Mr. Harrington's regulation, stating that the ryots had no rights; or whether they merely stated that no one law or regulation would answer for the country generally, but that in some districts the ryots had such and such rights, and in other districts they had other rights?—The Judges of the Sudder Adawlut stated several reasons why they objected to such a regulation; a considerable proportion of their objections are rather to the form of the provisions of it than to the object. They conceived that it was ill-drawn to answer the object, but they also considered that it was for an object which there was no room now to contend for; they stated broadly, without entering much into their reasons, as the result of their experience and of their inquiries, that no such rights existed, and that there was no evidence of their having existed. That is the general impression I have, from recollection, of the documents; but as they will be laid before the Committee they will speak for themselves.

3391. Is it not the fact that the ryots in various districts have had various rights generally allowed?—In many parts of India they are not disputed.

3392. When the land revenue was fixed permanently, was it not expected then that the revenue from that source would be incapable of increase, and that other sources of revenue would be multiplied in the course of improvement?—That was one of the anticipations of Lord Cornwallis; he imagined that a class of opulent landowners would grow up who would live expensively as gentlemen do in Europe, and their expenditure would afford the means of a considerably productive taxation upon articles of consumption.

3393. Without adverting to the particular mode by which it has been effected, has it not been the result that other branches of revenue have increased?—The produce of the customs in Bengal has increased very considerably, above all the produce of the sea customs, because there has been a great increase of trade; to a certain degree, it is probable also, that

10 March 1831. natives?—I have never heard them considered as grievous on the estates that I was interested in.
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1823. Does the whole of Java belong to the Dutch?—A part only. A third of the island, or perhaps more, belongs to the native princes.

1824. In those parts are there any Europeans settled?—There are; the lease-holders I mentioned.

1825. You have stated that the Dutch government was generally just and impartial?—I applied that to the last two or three years.

1826. Do you consider that the conduct of that government has been uniformly just and liberal to British settlers on the island?—The British settlers, in conjunction with the natural-born subjects of his Dutch majesty, suffered very much from the acts of the government; but there was nothing pointed towards the British.

1827. Do you know any acts of oppression that have been ascribed to the Dutch government, with regard to British settlers and land-owners in the island?—I do; I have suffered myself from an act of oppression.

1828. Will you state any of those instances?—The act to which I allude was the cancelling of leases in 1823, which was one of the acts by which several Dutch subjects, as well as British, were deprived of their plantations. However, in 1826, the lands were given back upon the original footing, and a prolongation of the lease given by way of remuneration.

1829. Do you consider that a complete and full measure of justice has been ultimately rendered towards all those landholders?—No, I do not.

1830. Then, upon the whole, the conduct of the Dutch government has not been just and impartial in your estimation?—Not till of late years. I believe it is notorious that the Dutch government were any thing but impartial at former times.

1831. To what period do you allude as the period when this reform of the Dutch government commenced?—Within the last four years, especially in Java.

1832. Since that period has ample justice been done to the British settlers?—They have got the same measure of justice as the Dutch planters. Some were better remunerated than others; but I believe it was the intention and wish of the government to do them ample justice.

1833. You have pointed out the distinction between government lands and lands held by private individuals, stating that the tax demanded by the government from the one was two-fifths of the produce, and that the rent demanded by the private landholders from their tenants was one-fifth of the produce; do not you think that accounts for the great resort of occupants and labourers to the lands of private holders, in contradistinction to the lands of the government?—In some parts of the island, but not in the native provinces.

1834. Would

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the produce of the land customs has increased, because the amount of property in transit has increased.

3394. Has not the revenue from opium increased ten-fold?—The revenue from opium has very much increased, and also the revenue from salt.

3395. What do you think have been the effects of the ryotwar system, so far as it has existed in Bengal?—There is very little experience of it in Bengal; the answer to this question has been, to a considerable degree, anticipated by the answers to former questions. As far as regards that species of ryotwar settlement that took place in the case of estates which lapsed to government, or which, under the court of wards, came to be managed by the collectors in detail with the ryots, it has in general, been unsuccessful in Bengal, and has been complained of strongly in most cases by the collectors, as a very unsatisfactory and unprofitable mode of collection, both in respect to government and in respect to the ryots. In most cases the revenue has fallen off; it was not collected to such an extent as had been received from the zemindars previously, although it was not found that the condition of the ryots was benefited under that management. This always appeared a very extraordinary result to the authorities at home, and they ascribed it in a great degree to the inexperience of the collectors in Bengal in detailed settlements, and their aversion to them on account of the increased difficulty and labour which they implied. Queries have, from time to time, been sent out to probe the matter as far as possible, and from the answers which have been received, it would appear to be made out that the collectors, in general, have given themselves little or no trouble about such estates; that the tehsildars settled what was to be paid by the ryots, and also made the collections from them. The probability therefore is, that the tehsildars, acting under no superintendence, robbed both the government and the ryots.

3396. Is there any considerable number of villages in that situation?—The number of estates held khars is, of course, fluctuating; part of them are for a time only in the hands of the officers of government, and afterwards revert to the proprietors. There have been instances of successful ryotwar in Bengal, though not many. There was a recent instance in the hands of Mr. Wilkinson, in the northern part of Cuttack. Instead of having recourse to one of the more summary methods of collection, he proceeded to form a settlement with the ryots in certain estates which were to be settled, and under his management the plan succeeded. He reported that the ryots were contented, and their payments made easily and correctly. He also reported, that after the operation had been once gone through, he found the difficulty of his subsequent proceedings much less than he had anticipated.

3397. Did he proceed by individual settlement with each ryot?—He made his bargain with each ryot, and gave the ryot a pottah.

3398. For

1834. Would it at all account for the resort of labourers?—Certainly not. 10 March 1831.

1835. Is there much trade carried on between Java and the East-India Company's possessions?—A very considerable trade. G. MacLaine, Esq.

1836. Are there any obstructions in the way of it, with regard to duties, or regulations, or charges?—None. The cotton manufactures of British India only pay a duty of fifteen per cent. upon the invoice; European cotton manufactures pay a duty of twenty-six and one-fourth *ad valorem*.

1837. Are the duties equally low upon other productions of India?—They are.

1838. Is there any thing like a principle of colonial monopoly acted upon in Java by the Dutch government, in giving preference in matters of trade to the inhabitants of Java, with respect to duties, or prohibitions, or other regulations?—They only charge two per cent. upon articles brought in generally by prows and native trading vessels; they encourage that as much as possible, and they give them every facility at the custom-house.

1839. When British cotton goods are imported into Java from British or other ports to the east of the Cape, is there an extra duty charged?—There is an *ad valorem* duty of twenty-six and one-fourth per cent. charged on goods brought to the eastward of the Cape, and on cotton goods brought from British India, only fifteen per cent. upon the invoice amount.

1840. Is there not a government monopoly of salt also in Java?—There is.

Martis, 15^o die Martii, 1831.

JOHN CRAWFURD, Esq. called in, and examined.

1841. THE Committee understand that you have never been engaged in trade?—Never. 15 March 1831.

1842. But you have turned your attention to Indian matters?—Yes, a good deal, as matter of curiosity, and also as what I consider a public duty. J. Crawford, Esq.

1843. Have you looked to the trade between England and India?—A good deal.

1844. Has not that trade very much increased since the opening of the free trade in 1815?—I think beyond all expectation.

1845. Do you think it is susceptible of still greater increase?—I do.

1846. Is

3398. For what period?—None of them for long periods; I imagine for five years, as that is customary; but I have no precise recollection.

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3399. Was the assessment variable from year to year, or fixed?—For the period of the pottah fixed, and most probably at the end of that, another five years will be added, and so on till some reason occurs for a material change. When occasion appears for a re-settlement it is made.

3400. Do you perceive any disadvantage connected with that settlement?—An obvious disadvantage undoubtedly is the difficulty. A settlement so much in detail is a settlement that cannot be easily effected, and it implies a great complexity of agency, which agency it is by no means easy adequately to control.

3401. Do you recollect what agency Mr. Wilkinson employed?—Mr. Wilkinson, I think, was an assistant under the commissioner of Cuttack, and deputed to that particular district. I rather think he had no European connected with him, and therefore he had merely the tehsildars and the ordinary native servants of the collector, so that I imagine he managed entirely by the instrumentality of natives.

3402. As it was made in 1827, the term of the leases of course has not expired?—We have only his first report upon the success of his proceedings.

3403. With respect to the village settlements in the Presidency of Fort William and the provinces, what is your opinion of their advantages and disadvantages?—In the village settlement where the assessment is made in one sum upon the village, some one leading individual of the village stands forward as the person with whom the engagement is made, and who becomes answerable to government for the revenue which he undertakes to pay, and then in this person's hands remains the distribution of the assessment among the members of the village. The inconvenience and evil of this system is, that there is no protection to the inferior ryots against injustice on the part of their head man and his relations, who contrive by various ways to shift an undue share of the burthen from themselves upon their inferior partners. He in reality farms the village. Over a considerable proportion of the Ceded districts, there were persons that stood forward with the claim of being hereditary managers for the villages; they were in those cases members of the village; in each instance, one of the hereditary ryots having a property in the village along with the other members of the village, a share in the property belonging to the village community, whether held in joint-tenancy or not.

3404. Are they generally natives of the village?—They are most commonly natives of the village, and always, when such can be obtained. In a number of those villages, when the Ceded and Conquered Provinces first came under the British Government, there were no individuals that appeared and preferred what appeared to the collector any claim of right to be

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1846. Is there any thing which you think is necessary to facilitate that increase?—A free introduction of capital, enterprize, and skill, under proper protection, under just and equal laws.

1847. Do you not conceive that the great impediment to the extension of that trade is the difficulty of finding adequate returns to send from India to this country?—That necessarily follows from the obstructions to the application of capital to the soil, and to the industry of India generally.

1848. Looking at the climate and the soil, and the situation of India, are you of opinion that its products might be considerably increased and improved?—Yes, gradually, very greatly.

1849. What do you think necessary for that purpose?—I have already stated what I consider necessary to it, the application of European skill and capital, under proper protection.

1850. Are there not considerable remittances which are made at the present moment from India to England to pay for charges upon the territorial department, and also upon account of private individuals?—Yes; the exports of India much exceed the imports; there is a tribute paid by India to this country.

1851. Does not that render it the more essential that the returns from India should be increased and improved?—No doubt it does.

1852. Do you not conceive, that supposing the returns made now on account of private individuals were employed in the cultivation of India, the situation of India would be considerably improved, and the commerce between Great Britain and India considerably increased?—It would, of necessity, produce all those benefits and advantages which have ever been found in every part of the world, and in every age, to follow the unfettered application of capital and enterprize.

1853. Amongst other articles which India might produce, have you turned your attention to the cultivation of cotton?—Yes, in the manner I have already described, for I have never been professionally engaged either in trade or agriculture.

1854. With respect to cotton, are there several species of cotton?—My opinion is, that there is of cotton, as a commercial article, but one species, diverging into a prodigious number of varieties, according to the circumstances of soil, climate, and locality. In every part of India in which I have been I have found a vast number of varieties.

1855. Is cotton considered as a matter of primary importance in the cultivation of India?—It is not; rice, wheat, and grain generally are considered as the most important objects of Indian husbandry, and cotton a secondary one. In the island of Java, for example, where cotton is very extensively cultivated for domestic use, but not for exportation, it is a mere winter crop snatched from the soil, with two or three months' cultivation after the great rice harvest is taken in.

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taken as the engager with government ; nobody who could shew that they or their ancestors had been customary engagers with government ; in those cases, the collector frequently considered himself at liberty to make a contract for a village with an individual who might not be a member of the village. That was objected to when it came to the knowledge of the government, and the collectors were directed, and those directions concurred in readily by the home authorities, not to engage with strangers, but with the natives of the village in all cases in which any member of the village could be found who was conceived adequate to the undertaking. This proceeded upon the supposition that a member of the village community would make a distribution more equitably than a stranger, although it seems to be now pretty distinctly ascertained that that anticipation was not correct, and that the inferior ryots are as liable to be oppressed by leading men among themselves as they are by strangers.

3405. Is it not almost invariably the case, that in India, in every village, there is a head man, and an accountant, and a train of officers or presiding persons, who manage for the rest of the community?—That is the general state of the village community in India ; there is a head man who goes by various names, in various places ; they are called mocuddums and maliks in Bengal, they are called potails at Madras and Bombay, and the cornum or putwarry is the village accountant.

3406. Do not the village in general prefer entrusting their interests to the hands of their regular heads?—The natives prefer what is customary. It has been the custom in India for those head men of the village to transact with the government for the rest, but it is very likely, that although this has been the regular custom, it has been also a regular custom for those men to oppress.

3407. Is it not in the power of the collector who makes that agreement with the head man to secure the ryots from those oppressions?—It has been found exceedingly difficult ; some security may in time be found. It has occurred to me, and instructions to that effect have been conveyed to India, that the collector, in making his bargain with the head man, should, previously to assigning him the privilege, make him give in a schedule of the mode in which he meant to distribute the assessment, and, having obtained this statement, cause it to be fixed up in the village itself, to be seen by every inhabitant of the village, with an invitation to the people to make any remarks that might occur to them ; pointing out any inequality or injustice that might appear to attach to it, while the collector's office should be constantly open to the reception of those complaints.

3408. Although there is a head person, is not he in most of those villages in Bengal a co-partner of the cultivators?—In a considerable number of instances the property of the village is held in common.

3409. Has the mode of check you have just suggested been actually carried into effect?—The suggestion has been too recent for us to know what has been the effect of it.

3410. Is

1856. Do you conceive that the cultivation of cotton in India might be considerably improved?—I think there is no reason in the world to suppose it might not. India possesses every variety of climate at all events, and of soil, I have every reason to believe, that is possessed by those countries that afford cotton in the greatest quantity and in the greatest perfection. 15 March 1831
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1857. Are new varieties perpetually appearing even in the rude state of the cultivation?—I have never been in any part of India where there are not a great many varieties, some very good and some very bad. The ordinary cottons cultivated are for the most part the coarsest, because they are the most easy to rear; the finer varieties are very rare, because, as I conceive, the people have not skill to keep them up. They are, in fact, delicate plants in comparison.

1858. Is there not a fine variety in the neighbourhood of Dacca?—There is; it is referred to in a paper laid before the last Committee by the East-India Company. It is from that variety that I have reason to believe the fine muslins of Dacca are produced, and probably to the accidental discovery of it is to be attributed the rise of this singular manufacture. It is cultivated by the natives alone, not at all known in the English market, nor, as far as I am aware, in that of Calcutta.

1859. Is the cultivation of it extensive?—I have no other statement to give respecting it than that which has been laid by the East-India Company before the last Committee. Its growth extends about forty miles along the banks of the Megna, and about three miles inland.

1860. You are aware of the fine species of cotton called the Sea Islands, do you conceive that that can be grown at any distance from the sea?—The general opinion is that it cannot; and I understood from people acquainted with the cultivation of it, that the bare circumstance of planting the seed in the high lands ten or twelve miles distant from the sea, is sufficient to deteriorate the quality immediately.

1861. With respect to the cotton of China, where is the finest produced?—I understand from the works of the Jesuits that it is produced near the sea-side.

1862. What are the chief objections at the present moment to the Indian cotton?—It is short in the fibre, not strong in the staple, and coarse, and always very dirty.

1863. Have any improvements been made in the cleaning of it?—I understand, generally, none whatever. A few parcels have now and then been brought into the market of a better description, but in general there has been no improvement.

1864. Does not the seed adhere very closely to the wool?—It does, and it is very difficult to separate; that is a main objection to it.

1865. With respect to the common cotton of Java, can you state the proportion which the seed bears to the wool. The coarser the cotton generally the

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3410. Is it not as easy to protect the ryots under the village system as under the ryotwar system?—The danger under the ryotwar system arises from the corruption of the servants of the collectors, whom it is the business of the collectors to superintend and watch: the collector is perfectly aware of this tendency on their part, and if he does his duty, he will undoubtedly have a considerable power in checking them; but over the head man of the village there is no such check: it is understood that he and the individuals of the village form their arrangement among themselves, and it is not looked into. The difference therefore appears to me to be in favour of the ryotwar system, as the parties who are likely to misbehave themselves are there under superintendence and control, while in the other case they are under none at all.

3411. Have the three different modes of settlement been tried under an equality of other circumstances, so as to afford a fair test of their respective advantages and disadvantages?—They have; but I do not think that from experience you have yet evidence that can support any conclusion; the ryotwar system has not been a sufficient time in operation to enable you to judge with certainty of its effect upon the general condition of the people.

3412. Was the ryotwar system in existence in the provinces in any part of the presidency of Fort William prior to our possession of them?—Not in any part of the presidency of Fort William. In general, wherever the country was not managed by zemindars before our possession, it was managed by farmers, often in large districts. That was the case in Oude, and is so still. Previous to our connection with that country, a large part of the whole was under one farmer.

3413. With respect to the comparison of the ryotwar and the village systems, which, in your opinion, is the preferable?—I should have no hesitation in deciding between the two. I consider that the village settlement fails in that protection to the ryot which the ryotwar is calculated to yield; under that system, the parties who immediately transact with the ryot are the servants of the collectors, superintended by a man whose entire business it is to superintend them, and undoubtedly they must be under a check considerably beyond the case of the head man of the village, who is not looked after at all, and who does what he pleases as far as can be done without exciting an affray in the village, which is the thing most likely to cause his conduct to be looked after.

3414. Is not the reliance of the collector upon his native servants?—It is.

3415. Is not their corruption notorious?—Their corruption is very great, they are never to be trusted.

3416. What do you suppose is, upon the average, the amount of population under a single collector?—The amount of population varies very much,

15 March 1831. the more seed there is in proportion to the wool. I recollect, from experiments made under my own eye, that I found in the ordinary coarse cotton of Java the seed bearing to the wool a proportion of four to one, whereas in better kinds occasionally cultivated it was no more than three to one.

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1866. Are you of opinion that India, in its present state, is capable of producing any considerable quantity of cotton fit for the European market? I am of opinion that India is capable of producing cotton for the consumption of the European market, provided there is a proper application of skill and capital to the production of the article, in the same manner as in other countries; but I am of opinion that the unaided skill of the natives of India is incapable of doing it, and the experience of the last seventeen years seems satisfactorily to prove this.

1867. Can you refer to any document connected with the American cotton to prove the improvement which has taken place?—This is a letter from a planter in Georgia, which was handed to me by Mr. Kennedy, an eminent manufacturer of Manchester. Mr. Kennedy was engaged in preparing some statements respecting the progress and history of the cotton manufacture in this country; he put an advertisement into the *South Carolina Gazette* for several months, and at last he got this answer from one of the earliest planters of Georgia: it is a very curious and interesting document, and contains an account of the first introduction of the Sea Island cotton. I brought also to offer to the Committee another document illustrative of the progress of the culture of cotton in America, being an extract from a well-known statistic writer, that of Dr. Sybert.

[*The witness delivered in the same, which was read as follows :*]

SIR :

There has been for some months past a notification in your paper requesting a communication upon the subject of the introduction of Cotton into Georgia and Carolina.

It has been intimated to me, that possibly this notification has originated in some one desirous of correct information in order that it might enter into some more general work; and as I am at present perhaps the only person alive that recollects distinctly the introduction of the Sea Island cotton, I have addressed this letter to you.

It is known to many that cotton was cultivated for domestic purposes from Virginia to Georgia long anterior to the revolutionary war. Mr. Jefferson speaks of it in his Notes on Virginia; Bartram speaks of it in his Travels, as growing in Georgia; and we have understood that twenty-two acres were cultivated by a Colonel Dellegal, upon a small island near Savannah, before the Revolution. But this was the *green seed*, short staple cotton. Two species of the same family then existed in this country, the *green seed*, and a low cotton resembling it in blossom, both being of a pale yellow, and approaching to white; one with the seed covered with fuzz, the other with fuzz only on the end of the seed. To explore the first introduction of the short staple cotton into this country would now, in all probability, be impossible; but we may very well suppose it was by one of the southern proprietary governments, and possibly from Turkey; the trade of which country with England was then of much higher consideration than it has subsequently become. Nor would it have escaped those proprietors, many of whom were enlightened men, that the climate of Asia Minor, where cotton grew abundantly, was
analogous

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much, because it depends upon the density of the population. The amount of population under a collector of Bengal is frequently very great. In the scattered places, in the upper provinces, the amount of population may be small, although the difficulty of collecting may be equal or even greater.

3417. Does the ryotwar extend over any great portion of country in the Bengal provinces?—In Bengal, very small.

3418. Of the three systems, then, it is your opinion, that the one which best provides for the protection of the ryot is the ryotwar system?—Yes.

3419. The result of your opinion then is, that it is better that the ryot should be placed in immediate contact with the servants of the collector, notwithstanding their corruption, rather than with the head man of the village?—Yes; notwithstanding their corruption.

3420. In the upper provinces does not an individual generally contract with the government for a number of villages?—I think rarely; the settlement is commonly with villages in the upper provinces. It does sometimes happen that an individual contracts for more villages than one.

3421. Does it not often happen, at the end of his lease, that an individual, when he is about to renew his contract, states, that the country is not equal to pay the revenue obtained; that he must have a reduction of rent; and that, upon looking into the state of the country, it is found to be in a worse state than at the beginning of the five years preceding?—In many instances it has been found upon inquiry that the assessment has been too high. In a considerable district it has been recently discovered that the assessment was too high; I mean Bundelcund: and it has been greatly decreased; the same has been the case in Bareilly.

3422. Does it not often happen that those collectors oppress the ryots to such an extent that the country is absolutely injured in consequence?—It is uniformly found, that when too high an assessment has operated for a few years, or even for one year, the condition of the country is permanently injured, because the ryots dispose of their bullocks, and various other means of carrying on the cultivation, to pay the demand upon them for that one year; so that in the succeeding years the cultivation declines, and the revenue along with it.

3423. Is it your opinion that granting longer leases would be advantageous to the ryots generally?—Long leases are undoubtedly the natural instrument for improving the circumstances of an agricultural population; but in the present condition of the agricultural population in India there are various untoward circumstances which limit the benefit of leases very considerably. The two great circumstances that operate to limit the benefit of leases are, first, the great poverty and depression of the cultivators themselves; and in the next place, the great fluctuations of seasons; so that hardly any rent, even a very moderate rent, can be collected regularly from year to year; and if govern-

analogous to the climates of the provinces south of Virginia. Just about the commencement of the revolutionary war, Sir R. Arkwright had invented the spinning-jenny, and cotton-spinning became a matter of deep interest; in England cotton rose much in price; its various qualities attracted notice, and the world was searched for finer kinds. The island of Bourbon was alone found to produce them; and yet the Bourbon cotton greatly resembled in its growth our green seed-cotton, although it cannot be its parent plant, for all attempts to naturalize it in Georgia (which were many and repeated) have failed. It gave blossoms, but it was cut off by the frost in the fruit, nor would it ratoon or grow from the root the next year, in which too it resembles the green seed-cotton of our country. This is all I am able to say, and perhaps all that is necessary to be said of the short-staple cotton.

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The Sea Island cotton was introduced directly from the Bahama Islands into Georgia. The revolutionary war that closed in 1783 had been a war not less of opinion and of feeling than of interest, and had torn asunder many of the relations of life, whether of blood or of friendship. England offered to the unhappy settlers of this country, who had followed her standard, a home but in two of her provinces. To the provincials of the north she offered Nova Scotia; to the provincials of the south, the Bahama Islands. Many of the former inhabitants of the Carolinas and Georgia passed over from Florida to the Bahamas with their slaves. But what could they cultivate?—The rocky and arid soil of those islands could not grow sugar-cane; coffee would grow, but produced no fruit. There was one plant that would grow, and that bore abundantly, it was cotton. The seed, as I have been often informed by respectable gentlemen from the Bahamas, was in the first instance procured from a small island in the West-Indies, celebrated for its cotton, called Anguilla. It was therefore long after its introduction into this country called Anguilla-seed.

Cotton, as I have already stated, had taken a new value by the introduction of the spinning machines into England. The quality of the Bahamas cotton was then considered among the best grown; new life and hope were imparted to a colony, and a people with whom even hope itself had been almost extinct. This first success, as is natural to the human mind under whatever influence it may act, recalled the memory of the friends they had left behind them. The winter of 1786 brought several parcels of cotton-seed from the Bahamas to Georgia; among them (in distinct remembrance upon my mind) was a parcel to Governor Jatnall of Georgia, from a near relation of his, then surveyor-general of the Bahamas; and another parcel at this same time was transmitted by Colonel Roger Kelsall, of Escomer (who was among the first, if not the *very first* successful grower of cotton), to my father, Mr. James Spalding, then residing on St. Simon's Island, Georgia, who had been connected in business with Colonel Kelsall before the Revolution. I have heard that Governor Jatnall, then a young man, gave his seed to Mr. Nicholas Turnbull, lately deceased, who cultivated it from that period successfully.

I know my father planted his cotton-seed, in the spring of 1787, upon the banks of a small rice-field on St. Simon's Island. The land was rich and warm, the cotton grew large and blossomed, but did not ripen to fruit; it however ratooned or grew from the roots the following year. The difficulty was *now over*, the cotton adapted itself to the climate, and every successive year from 1787 saw the long-staple cotton extending itself along the shores of Georgia, and into South Carolina, when an enlightened population, then engaged in the cultivation of indigo, readily adopted it. All the varieties of the long staple, or at least the germ of those varieties, came from that seed; differences of soil developed them, and differences of local situations are developing them every day. The same cotton-seed planted in one field will give quite a black and naked seed; while the same seed, planted upon another field, different in soil and situation, will be prone to run into large cotton,

government were to take an average year, and to fix the rent such that the surplus of a profitable year might more than compensate for the deficiency of a bad year, the effect would, in almost all cases, be, that the surplus of the good year would be consumed, and the government would have to make a remission in the bad years, contenting itself with something less than the rent, which yet the ryot would not be the richer by.

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3424. Is there not great difficulty in the way of carrying on the ryotwar system upon a great scale in Bengal, in consequence of the few Europeans that you can afford to have under such circumstances, and the difficulty of trusting the natives?—That is the great difficulty of collecting the revenue in detail, as well as of administering justice to the country, that you are not able to pay Europeans in sufficient numbers.

3425. You were understood to say that Mr. Wilkinson employed native agency?—They all must employ native agency, but that agency is under superintendency, according to the ryotwar system; and when superintended with efficiency the abuses that they are prone to are obviated.

3426. You have stated that in the upper provinces one individual contracted for a certain number of villages; did the government interfere as to the mode in which the assessment should be made for the five years, or was the individual left to collect as he pleased, and to plant and sow as he pleased?—An assessment is made upon the village, and one man stands forward as the manager; in some cases the same individual for more villages than one; an agreement is made with him for a certain annual amount, and it is distributed by him among the villagers; which distribution is supposed to be a conjoint operation.

3427. Are you aware whether that individual has the power of distraining for rent upon any portion of the village lands?—His powers are fixed by Regulation, and I think are the same with those of a zemindar.

3428. Has the ryot any redress against the distress, except by appeal to the courts of justice?—To the courts of justice, or to the collector, when he has jurisdiction.

3429. Is the state of the court such as to afford a ready disposal of his appeal?—The want of that is the great difficulty.

3430. You spoke of there being a great difference in the condition of the cultivators in different parts of Bengal; do you conceive that the condition of the ryots, notwithstanding the permanent settlement, depends very much upon the character and proceedings of the collectors?—Not in Bengal; the collectors do not interfere between the zemindar and the ryot, except in very extraordinary cases.

3431. Then to what do you attribute the difference in their condition between particular districts in that province?—Such differences as there are would be accounted for to a certain degree from the character of the zemindars themselves. If the zemindar resides upon his property, and takes care
of

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with long boles or pods, and with seeds tufted at the ends with fuzz. I should have great doubts if there is any real difference in these apparent varieties of the long staple cotton; but if there is, all who observe must know, that plants, where they have once intermingled their varieties, will require attention for a long series of years to disentangle them.

Subsequently to 1787, as the cultivation of cotton extended and became profitable, every variety of the cotton that could be gleaned from the four quarters of the globe has been tried, but none of them but *one* has resulted in any thing useful. Mr. James Hamilton, who formerly resided in Charlestown, and who now resides in Philadelphia, was indefatigable in procuring seed, which he transmitted to his friend Mr. Cowper, of St. Simon's Island. Mr. Cowper planted some acres of Bourbon cotton; it grew and blossomed, but did not ripen its fruit, and perished in the winter.

Mr. Hamilton sent a cotton from Siam; it grew large, was of a rich purple colour both in foliage and blossom, but perished also without ripening its fruit.

The Nankin cotton was introduced at an early period, the same that Secretary Crawford distributed the seed of some years back. It was abundant in produce, the seed fuzzy, and the wool of a dirty yellow colour, which would not bring even the price of the other short-staple cottons, but I knew it to produce 3 cwt. to the acre on Jekyll Island in Georgia. The kidney-seed cotton,—that is, a cotton which produces the seed all clustered together, with a long strong staple extending from one side of the seeds (and which I believe to be the Brazilian or Pernambuco cotton),—was tried, and was the only new species upon which there could have been any hesitancy; but this too was given up, because not as valuable, and not as productive. I have given the names of gentlemen, because I had no other means of establishing facts; and now my communication shall close.

Your very obedient servant,

THOMAS SPALDING.
Darien, Georgia.

To the Editor of the Charlestown Courier.

EXTRACT from the Statistical Annals of the United States of America, by Dr. Seybert, a Member of the House of Representatives, &c.; 1818.

“ IN 1789, a member from South Carolina stated in the House of Representatives of the United States, that the people of the Southern States intended to cultivate cotton; and added, ‘ if good seed could be procured he hoped they might succeed.’” (p. 84.) “ In 1790 the growth of American cotton-wool was problematical. The extent to which the production of this raw material has been subsequently carried enriched the nation, and very much contributed to lessen the demand for slaves. Prior to 1790, the Dutch settlement in Surinam, and other parts of the West-Indies, were considered as the countries from which the manufactories in the United States might be supplied with cotton wool. In 1791 the first parcel of cotton of American growth was exported from the United States, and amounted only to 19,200lbs!” p. 92.

1868. Can you state the year in which cotton was first imported into this country from India and from America, respectively?—Indian cotton was first imported into England in 1790, and United States cotton in 1791.

1869. Can you state the quantity of American cotton exported annually?—The total quantity in 1827 was 294,310,115 lbs., and the value 29,359,545 Spanish dollars, or £6,390,651.

1870. What

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of it, there is found to be a distinction. There is an instance in the rajah of Benares, whose jaghires are in a prosperous state.

3432. Is it then in that way that you would reconcile the conflicting accounts which you have stated would be given by persons practically conversant with the state of Bengal?—No doubt that would account for the different opinions that one hears to a certain extent; the attention of one individual may have been directed to the prosperous cases, and that of another individual to the unprosperous cases.

3433. Supposing that at the time when the permanent settlement was made in Bengal, that settlement had been made with the ryots, and not with the zemindars, is it, or not, your opinion, that a very considerable benefit would have accrued to that country by the establishment of that permanent settlement?—I am of opinion that the prosperity of the ryots would have been much greater, and that in all respects the wealth of the country would have improved in consequence of such an arrangement.

3434. Then your objection is not to the permanent settlement, but to the medium through which the revenue under the permanent settlement is collected?—The sole objection I have to the permanent settlement as permanent is, its being so far an alienation of the great source of the revenue of government.

3435. Are you not of opinion, if the permanent settlement had been of such a description as that the wealth of the country had increased, other sources of revenue would have opened to the government by means of that increase of wealth?—There is no doubt that if wealth had grown in the country, you might have gone to that wealth, and have obtained a portion of it by the operation of taxation.

3436. Supposing the country to have remained in a stationary state, are you of opinion that any considerable increase of revenue could have accrued to the government under a system of land revenue which was variable at their pleasure?—I conceive that if government, without fixing in perpetuity the rent to be demanded from the ryot, were so to manage that they should never take more than the rent from the ryot, still the means of accumulating wealth would remain in the hands of the ryots as much as those of any other producers in any country where the rent of land is conveyed away, and has become the property of individuals.

3437. When you state merely rent, do you contemplate that portion of the gross produce of the soil which is now generally levied in India, amounting to nearly one-half of the gross produce?—I should say that the question does not state the facts correctly, because I imagine that the assessment, though in some cases it may exceed the half of the gross produce, in many cases is not one-tenth of the gross produce; the amount that is taken varies with every variation of soil.

3438. Is it not the fact that throughout that part of India where the land-revenue is variable, it is commonly assumed that one-half of the gross produce

1870. What is the amount of cotton now imported from India?—The total export from all India in the year 1827 was 68,411,015 lbs., the value of which at 25s. per maund of 80 lbs., would be £1,068,922; so that the importation of the American cotton has increased from about 19,000 lbs., to 294,000,000 lbs., and the increase in the Indian cotton is but 68,000,000 lbs.

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1871. Are you of opinion, that supposing the same capital and skill had been employed in the cultivation of cotton in India as was employed in the United States, that a similar increase in the exportation of Indian cotton might have taken place?—Not to the same degree. I do not contemplate that there ever should exist so active a spirit of industry in India under any circumstances as in the United States, but to a great degree.

1872. Have you any statement of Mr. Colebrook with respect to the cultivation of cotton in the lower parts of India?—I consulted Mr. Colebrook respecting the Dacca cotton, and had an opportunity of perusing the manuscripts of the late Dr. Roxburgh, which contain an account of the Dacca cotton: he calls it a variety of the common herbaceous annual cotton of India, and states that it is longer in the staple, and affords the material from which the Dacca muslins have been always made. I have some documents respecting certain experiments for the cultivation of a good kind of cotton in Bengal. They consist of a communication from a gentleman in India to a house in Liverpool, transmitting samples of cotton cultivated by himself, with the report of the brokers upon those samples.

[*The Witness delivered in the same, which were read as follows:*]

To James Cropper, Esq., Liverpool.

DEAR SIR:

Not questioning but that, at the present crisis, every thing which tends to prove the capability of India to produce abundantly many of the commodities which we now import from other countries must be interesting to you, and to the merchants of Liverpool generally, I do myself the pleasure of forwarding to you two samples of cotton the field-growth of my estate here (about forty miles north-east of Calcutta), where it thrives so luxuriantly as frequently to oblige me to root it up. There can be no question but that it might be produced to any extent over a vast tract of country, and to considerable advantage, to judge from its very great productiveness. There is, I think, no fear of its degeneration, for I have now cultivated it for some years; a comparison with the first year's sample indicating rather an improvement in the opinion of the best judge of the article in Calcutta, himself a professional spinner. The Nankin colonial cotton is by no means so productive as the Bourbon. An intelligent Chinese informs me it requires oil-cake to become so. My object in forwarding the specimens is further to obtain valuations of them as compared with other cottons. As a guide for future speculations, should the article promise to answer, and both as foreign secretary to the Agricultural Society of Calcutta, and individually, I shall be happy to correspond with you, or with any of your commercial friends, on subjects connected with what I trust I may term our mutual interests. Specimens of cottons with their values, as compared with those now sent, models or drawings of the best American gins, &c. will be highly useful to us here.

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duce is taken from the ryot, and that the greater proportion of that, namely, about thirty-five per cent. of it, is assumed as the share of government?—Certainly not.

3439. Is it not so under the Madras presidency?—At Madras the sort of rule that was assumed by Sir Thomas Munro, and I should say erroneously, was, that one-third of the produce might generally be demanded by government.

3440. Was not that upon a very high assessment?—He over-estimated the productive power of the soil, and upon a revision, directed that twenty-five per cent. should be diminished from it.

3441. Was his original estimate in any case realized?—I should not say that it was in no case realized; I believe it was realized to a considerable degree for some years, but with a deterioration of the country.

3442. Was the reduction made that he proposed?—It was; and even additional reductions in many cases have been found necessary, and have been directed.

3443. Is it not the fact, that throughout a great part of India, where the land-tax is variable, a larger proportion of the gross produce of the soil is demanded from the cultivator than he is able to pay consistently with his own increase in wealth and in comfort?—I believe that generally, in India, more than enough has been collected from the cultivators; most commonly, even under our own government, the full rent, and something more, has been collected; by degrees only have the governments in India and the authorities at home become fully sensible of this; but in proportion as they have become sensible of it, instructions, more and more peremptory, have been sent out to take special care that no more than the rent is taken, and in all doubtful cases that the error, if any, be on the safe side, by taking less than the rent rather than more.

3444. Can you point out the part of India in which, in your apprehension, a larger amount is not taken from the cultivator than what he is able with comfort to pay?—It is not easy to answer that question in regard to any large portions of the country; in the same district, and under the same collector, more than the rent may be taken in one case, and less in another; any thing like accuracy on the point we have no means of attaining; and one source of deception, and that a very natural one, to the collectors, in estimating the lands, is this, that in many villages they found the lands rated at a certain amount, that in those cases it was paid, and without difficulty or complaint. This was assumed for the different classes of land as a species of standard, and all the land was rated at this standard; but in reality it was too high, and the ryots had been enabled to pay so high a rate only by having a considerable portion of land in addition to what they paid for, concealed land, and never brought to account. Our vigilance being much greater than that of the government which went before us, a much smaller

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quantity of this concealed land was allowed to remain unassessed; and by this operation of detecting the unassessed land, and going upon the old rates, the assessment, it was found after a certain time, was too high; but the moment it was so discovered a remission took place.

3445. Of what part of the country are you now speaking?—This has happened in all parts of the country not permanently settled.

3446. Are you aware of the existence of any extensive districts of India where the assessment of the land revenue is what in your apprehension ought to be considered as a mere rent, payable by the cultivators?—The cases are probably mixed; my apprehension is, that in a great proportion of them, in every part of India, more than the proper rent is taken.

3447. Do you think, considering the fluctuations of seasons to which you have alluded, and the circumstances of the ryots, it would be possible to make a permanent settlement with the ryots in Bengal, with any prospect of annually realizing the revenue?—I think not.

3448. Do you apprehend that such a settlement could now be made with the superior means of ascertaining the state of the country that we now have?—I think still very imperfectly. I should look to leases for a considerable number of years' duration, in favour of those ryots, upon a moderate rent, as a certain instrument for the improvement of India; but I conceive that for a considerable time the protection of those leases would be very imperfect, and not fully adequate to the end, owing to these two causes, the poverty of the ryots, and the fluctuations of seasons. In all adverse seasons, or when any circumstances of adversity happened to the individual, a remission would be needed, and to such a degree that, practically speaking, as under Sir Thomas Munro's ryotwar system, an annual settlement would be indispensable. We may hope, at no very distant period, to see so great an improvement in the circumstances of the ryots, and in their education and state of mind, as that they will know how to reserve the surplus of one year for the deficiency of another; and whenever they come to be in a condition of that sort, then a lease, with a moderate rent, will be an adequate protection for them.

3449. You have been asked whether you know any district of India that is not over-assessed. If any case of over-assessment were made known to the home authorities, would it not be immediately desired to be remedied?—There is no doubt that it would be remedied immediately; and it may be also said in favour of the governments of India universally, that there is no point which they are more vigilant in attending to than any symptom of over-assessment; and I say so without ascribing to them any peculiar virtue, because the operation of over-assessment for one year or two years uniformly produces a diminution of income.

3450. Has it not for the last twenty years been a regular complaint from India that an over-assessment has existed?—This complaint, in order to be understood,

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understood, must be stated somewhat in detail; it may be true that there has not been one year in which there has not been a complaint that some district or other has been over-assessed, but not generally.

3451. Did not Sir Thomas Munro recommend a reduction of twenty-five per cent. from the assessments of the districts under his charge, and did not more than twenty years elapse before any reduction was made?—Sir Thomas Munro directed his remission without reference to the home authorities, and it was made immediately.

3452. What is the effect of the permanent settlement in Madras?—The zemindary settlement, so far as it has been tried in Madras, has been most unsuccessful. There was an attempt to introduce it generally about the year 1805 or 1806. The country was divided into estates called mootahs, a renting from 1,000 to 5,000 pagodas; the amount of revenue to be charged by government was fixed upon them, and then they were put up to sale, under the understanding that this was to be a permanent zemindary settlement, and that the purchases of these mootahs would be placed in future in the same condition as the zemindars in Bengal.

3453. Who were the purchasers generally?—They were natives and persons of consequence connected with the district, in the greater number of instances.

3454. In what provinces did this take place?—It took place very generally. After a very few years it was found that these zemindars or mootahdars were unequal to their engagements, whether this was owing to mismanagement or over-assessment, and many of them desired to be relieved from their engagements; which was frequently allowed, and with restoration of the purchase-money. In other cases they fell into arrear, and their estates were sold. I believe the whole of those mootahs have become extinct, and the land is now settled in the ryotwar mode.

3455. Do you ascribe that failure to over-assessment?—It was variously ascribed by the collectors, and other observers on the spot. In some instances, no doubt, the demand was too great, more than the land could afford; in other cases, there was gross mismanagement on the part of the purchasers.

3456. In those districts in which the zemindary system was established at Madras, was the state of society similar to that which you stated as existing in the Bengal provinces prior to the permanent settlement there?—There are considerable diversities between those two parts of India. The zemindars in Bengal were men who had some experience. In general the parties with whom the settlement was made in Bengal were individuals who, as hereditary officers of the Mahomedan government, had been in the habit of collecting the revenues, and pretty nearly upon the terms on which the permanent settlement was made with them. In the case of making those estates in Madras, the men who engaged for them were specu-

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lators, who had not any experience in the management of estates. That was one difference, and I should imagine that another difference was, that the terms imposed upon them were much more severe than those upon the Bengal zemindars.

3457. Were the rights of the ryots equally regarded in both cases?—They were not more regarded in one case than in the other; because in both the presumption was, that the zemindars, the owners of the estates, would be the protectors, and in some sense, the fathers of the ryots.

3458. Is there any part of the Madras presidency in which now the permanent settlement prevails?—There is a considerable portion of it in which the permanent settlement prevails. I have mentioned that in the Northern circars, a hill country, in which the population is more rude than it is in other places of India, and where it had been in general held by chiefs occupying considerable districts, who had been allowed to retain the command of those districts under the Mahomedan governments, paying a certain annual sum, we found it convenient to continue the same system, and these chiefs were erected into hereditary zemindars, paying a certain annual sum. They for the greater part have continued in that situation. This statement refers to the districts of Ganjam, Vizagapatam, Rajahmundry, Masulipatam and Guntoor. It was an object of the policy of Sir Thomas Munro to preserve these zemindaries in their existing situation, and he proposed a law to prevent the subdivision of those zemindaries, according to the Hindoo law of settlement. It frequently happens, however, that they are preserved by that species of intervention of the government which I mentioned on a former day, when a rajah or zemindar consents, after he has fallen into arrear, to allow his estate to be managed by government, he himself receiving a certain moderate allowance for his maintenance in the mean time, and in this way the estate is managed till the arrears are paid, and till his other debts are also discharged, when the estate is restored to him. This happens over and over again, so that for probably half the time they are managed by government. This has been to a still greater degree the case with another set of persons in an analogous situation, the southern polygars, chiefs or little sovereigns who paid a tribute, and were by us made great zemindars; but they managed so ill that they are almost constantly in debt, and their estates as constantly managed by government in their behalf.

3459. Are those the original proprietors of the soil?—They were sovereigns rather than proprietors.

3460. In those cases are the ryots in a state of oppression?—Under them there is great irregularity and great mismanagement; it is probable that the ryots effect a good deal in their own behalf by concealment. They are liable to great extortions and ill-usage, but the probability is that they hold a considerable amount of land without paying anything for it. It has been strongly recommended from home to the Madras government, that
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in all those cases in which government consent to take charge of the estate for the rajah or polygar, he shall consent that the officers of government, who in the mean time transact with the ryots and settle with them, shall fix the payment that the ryot shall pay for a number of years, and that the zemindar shall consent to pottahs being granted to them, which he binds himself to respect. This instruction has been sent and enjoined upon the Madras government, and I have no doubt it will have very salutary effects.

3461. In those cases of permanent settlement at Madras, has the improvement of the peasantry been at all remarkable?—The improvement has not been visible. Every where in India the progress of wealth, by necessary causes, has been slow.

3462. Is there not an increase of cultivation?—There is an increase of cultivation at Madras as there is elsewhere, but it is much more difficult for the cultivation to make progress at Madras, because the soil is comparatively poor, and it is an expensive cultivation; for in a great part of the Madras territory the country is only cultivated by means of artificial irrigation.

3463. Has the revenue increased in the Madras presidency?—The revenue has not increased at Madras.

3464. Was this system existing in Madras prior to our establishment of it under the name of the permanent settlement?—In the cases of those hill rajahs and in the cases of the polygars; they were little sovereigns, and they paid tribute, the Northern circars to the Nizam, and the others to the Nabob of the Carnatic. The revenue of those permanently settled districts has considerably declined in the intermediate years between 1825 and 1829 inclusive. In the first of those years the nett revenue was fifty-nine lacs and odd; in the next fifty-nine lacs; in the next fifty-seven; in the next fifty-six; in the last fifty-five.

3465. Did our government levy the same revenue from the possessors as the former government?—We made our bargain with them. According to my present recollection, I should say that we did not consider what they had paid to former governments; we considered what they ought to pay to us.

3466. Do you think upon the whole we increased or diminished the rate?—That is not easy to say, because they were subject constantly to irregular demands. The Nabob of the Carnatic would march to the southern polygars with a portion of his troops, and make an extraordinary contribution whenever he imagined he had occasion for it, and we have no certain knowledge of what was exacted by him, because it was exacted irregularly.

3467. Then according to your estimate, the effect of the zemindary settlement in the Madras presidency has been the general ruin of the great proprietors?

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proprietors?—It was the ruin of the mootahdars, or rather it was the ruin of the mootahdarry system; because a considerable number of them, finding that they were unable to proceed, renounced their engagements. In the case of those who did not renounce their engagements, ruin was the consequence. Those polygars and rajahs are kept in temporary and occasional poverty by their own improvidence; their estates are preserved to them merely by the interposition of government, because, if they were left to the consequence of their arrears and other debts, the estates must be sold to discharge them.

3468. In those cases in which the government have undertaken the management of the estates, have they diminished the assessments upon the ryots?—In some cases they have, and in others they have not. In those cases in which they are managed by government, what is conceived to be an equitable assessment is made.

3469. Where that experiment has been tried long enough, has there been improvement in the condition of the ryots?—Not what anybody could speak to peremptorily. In short, I conceive it to be the case universally in India, that there is no visible direct marks of improvement, except in as far as the population has increased, and cultivation has extended; but I am not aware that the general appearance of the people, or that the circumstances of the people, taken individually, have materially improved any where.

3470. Has there not been an improvement in Bengal in respect to the accumulation of capital?—There has been an extension of capital; the effects and consequences of the general protection have existed every where.

3471. Is not the ryotwar the general system under the Madras presidency?—With the exception I have mentioned it is.

Jovis, 11^o die Augusti, 1831.

JAMES MILL, Esq. again called in, and examined.

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3472. WHAT have been the effects of the ryotwar system in the presidency of Madras?—It does not appear to me to have been as yet long enough in operation to have produced any conspicuous effects upon the population: the effects which it is likely to produce I think must as yet be matter of inference, and cannot be expected to be very apparent as matter of experience. In the state of a population so circumstanced as the population of India, an alteration for the better, even if the ground of it is well laid, cannot afford very

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very strong indications for a considerable period of time. The progress of wealth, which is the thing I suppose that the question more particularly alludes to, is slow, in much more favourable states than theirs; and I am not aware that there has, under the ryotwar system been any progress in wealth at all; because most frequently, when the assessment was first made, it was, I fear, too high.

3473. Do you extend that remark to the Coimbatore province as well as the other districts?—Of the Coimbatore province, it has always been reported by the late collector that it was in a state of prosperity. There was this evidence of its prosperity, that the collections were made with facility and without accumulation of arrears.

3474. Do you ascribe that to the moderateness of the assessment?—No doubt, and to the correctness with which the business was superintended, the prevention of undue exaction on the part of the inferior people employed.

3475. Is there not in that province an accumulation of property amongst the ryots?—To that point I am unable to speak; there is not anything on the records of the Company that indicates that, beyond the fact I have now mentioned, that in general the revenue has been collected with facility, without arrears, even in years of considerable adversity in point of season.

3476. You were asked upon a former day respecting the putcut system; does that of necessity imply a survey of every distinct field?—Certainly not; nor any assessment in one sum upon the ryot. According to the putcut system, a certain sum is demanded of the ryot for the whole of the land he holds.

3477. What is the tenure of property in the other parts of the Peninsula, Dindigul, Salem, Madura, &c.?—The ryotwar.

3478. What has been the effect as to the revenue in those provinces?—The revenue in Madras generally has not been progressive; which may be accounted for by two circumstances in joint operation; there have been large remissions in almost all parts of Madras, in abatement of the original survey-assessment, and there has been a series of exceedingly unfavourable seasons.

3479. Are there any other causes that you can also ascribe it to?—Those are the causes that occurred to me; I am not at this moment aware of any other.

3480. When the land revenue has been decreasing, has not the revenue from other sources been increased?—That is very likely to be the case; I have not recently looked at the figured statements.

3481. What is the aumany management?—That in general implies a division of the crop; a partition between the government and the cultivator, and for the most part payment in kind; sometimes a commutation in money for the produce, after the assessment in kind is made.

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3482. In what district does that prevail, in the Madras presidency?—I think it is not now the prevalent system in any part under the Madras presidency; it occasionally occurs where the ryots appear to have a preference for it, and where there have been disputes about the *teerwa*, or money-assessment.

3483. In those cases it is at the option of the receiver of the rent, whether he shall be paid in kind or in money?—There is nothing fixed in that respect; there is a sort of agreement between the parties; in very few cases, I suppose, does the collector ever dispute the matter when the ryots show a decided inclination.

3484. Is that often the case in the zemindary tenure?—How the zemindar deals with the ryots on his property is very little known; the collectors of government do not interfere between them.

3485. What is the tenure under the Bombay presidency?—In almost all parts of the Bombay presidency, the exceptions not numerous, the collection is by village.

3486. How is that found to answer?—There has not been there any other mode under that presidency to compare it with. The collections have been made as correctly and apparently with as little pressure upon the ryots as elsewhere; and in some cases the business must have attained unusual accuracy, because over a considerable part of the Bombay territory surveys of very great accuracy have been effected. Those surveys were minute in regard to boundaries and extent even of fields, and to the classification of the lands; but it was not attempted, in consequence of them, to make a ryotwar settlement. The settlement was always made with the village conjointly, and the villagers distributed the assessment among themselves.

3487. Have those surveys in general been accurate and correct?—They were made for Baruch by Colonel Williams, and made in a considerable part of Guzzerat by Major Cruikshank; and if I may judge by the accounts and inspection of the maps, extending to every village, I should say that the survey has been made with the utmost accuracy.

3488. Were the surveys accompanied with reports?—Always accompanied with reports and detailed remarks.

3489. Are there any means of checking those accounts of the surveyors?—There are no means here of checking them, further than by examining the report, the map, and the details, and drawing the inferences they afford. We know the principle upon which the operation was conducted. The particulars were all set down after full inquiry, and in the presence of the whole of the village community; they being in all instances fully apprised of what was going on, and co-operating in the work.

3490. Within what period have those surveys been made?—The last of them

them has only recently terminated; they have been going on for probably ten or fifteen years.

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3491. At what rate of expense are those surveys formed?—The expense is considerable; I cannot state it from recollection; the particulars of those surveys may be laid before the Committee.

3492. Did those surveys proceed upon an average ascertainment of the produce of the land?—A minute account was taken of the state of the land in each village; the fields were examined in the presence of the surveying officer, and with all the assistance he could procure, not only from his own servants, but the village community, the people themselves who were interested, and also the ryots and people of the neighbouring villages, who were invited to attend. The exact limits were put down of the village, and even the detail of land within the village, the productions, houses, fruit-bearing trees, and so on. The assessment, grounded upon these particulars, by the surveyors and the assessors that accompanied them, was to a certain degree conjectural; it was the best estimate they could make, from all the information that could be procured, of what the land could afford to pay.

3493. Then those surveys contained an estimate of what the produce of the land was likely to be?—They did.

3494. Is that merely a conjectural estimate, or is it an estimate founded upon actual information?—Every species of information was taken: the accounts of each village for a number of years were inspected; what the village had paid was carefully ascertained; this information was corrected as far as possible by the oral evidence of the inhabitants and the people upon the spot. After this the opinion of the assessor, what the village could afford to pay, was set down; the actual determination of government, with respect to the payment, was a subsequent operation.

3495. In general has the assessment, as rated by the surveyors, been adopted by the government?—Either exactly, or with a great approximation; and it does not occur to my recollection that in any of those cases there has been complaint of over-assessment.

3496. In any cases has the assessment been diminished?—At Bombay, I think not any.

3497. Are you speaking now of the whole of the territories within the Bombay presidency?—No; only those that have been surveyed in Guzzerat and Baruch.

3498. Do you know what was the general proportion of the rent of the gross produce in cases of those surveys?—Any proportion of the gross produce I think was very little considered as a standard to go by; previously, at least, to the operations of latter years, a different standard had been pointed out. It had been stated from home that no proportion of the gross produce was a proper standard; that the proper object of consideration was what the land, from its degree of fertility, could afford, over and above a

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complete remuneration to the cultivator for his labour and the use of his capital; which surplus was to be considered as the uttermost boundary of what was to be taken by government.

3499. Could that be ascertained without coming to a knowledge of the total produce?—It appears to me that the mode of ascertaining it is, to estimate as accurately as can be what such and such lands will yield under such and such a cultivation, and what is the cost of that cultivation. There is no doubt that any estimate of that sort, even in the hands of the most experienced persons, must be somewhat uncertain; it is not likely to be very correctly made; we know that it is but rarely so made even in England, where there has been so much experience, because nothing is more common than for the owners of estates to exact, and their tenants to undertake for more rent than they can pay.

3500. In the cases in which the ryotwar system has been established, have you any means of ascertaining what the feelings of the people are with respect to that mode of levying revenue?—I believe that the people are always partial to it; not so much perhaps, in the first instance, from the idea that they may profit by it, that they be better protected under it, as from its being a more honourable thing, in their estimation, to pay directly to the sircar than to a middle man.

3501. And more consistent with previous usage?—Not more consistent with previous usage, as far as the heads of villages are concerned; it having been, as I conceive, the general mode under the native governments to transact with the heads of villages, or to farm large districts; and even where large districts were farmed, the farmer himself usually collected through the heads of the villages.

3502. Then you think it is upon the whole more satisfactory to the people to be under the ryotwar system than to be under any other mode of collection?—Allowing for exceptions, that is the inference I should form. I have no doubt that they prefer transacting immediately with the sircar's servants, as a more honourable thing.

3503. Do you conceive that, besides its being esteemed more honourable to transact business with the sircar, the ryot actually derives any practical advantage, or that it is merely matter of opinion and feeling?—In the mind of the ryot at first it is probably a matter of feeling almost entirely. With respect to the ultimate advantage to the ryot, there will no doubt be considerable diversity of opinion, as at present any opinion must be very much inferential. In those cases in which under the ryotwar system the assessment has been too high, the ryot has not as yet benefited by the ryotwar system; and it is only in cases in which after experience the assessment may be brought down to a reasonable rate, that the condition of the ryot will begin to be benefited by it. If the idea is well founded with which I am very strongly impressed, that when the assessment is brought down to a reasonable

reasonable limit, the ryots will under that management be much more protected from undue exaction than under any other, they will be unspeakably benefited.

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3504. In the first instance, you conceive that the preference that the ryot gives to a transaction directly with the sircar, arises rather, to a certain degree, from a feeling perhaps of pride, than from any calculation of pecuniary advantage?—I think so.

3505. Do those answers refer to the provinces in the Deccan generally, or only to particular parts?—This answer refers to the ryotwar system generally, which prevails but little either in the Deccan, or in any other part under the Bombay presidency.

3506. In the ryotwar system, is not the ryot brought immediately into contact with the government; and in case of default, is not the immediate punisher of the default the government?—Yes.

3507. Is that likely to create feelings towards government different from those which would be created in the case of the zemindary settlement, where the immediate instrument of punishment is the zemindar?—I think there is no evidence of its having produced any such effect, and I should not think it likely that it should be produced.

3508. Why should you think it not likely?—The ryot, in all cases, knows perfectly well that when he pays the revenue, whether he pays it through the head man of the village or other middle-man, it is paid on account of the government, as much as when the payment is direct; if he is oppressed, therefore, it appears to me that his feeling must be the same towards the government in the one case as in the other; and I believe that in general, amongst these ryots, their resentment does not go beyond the immediate object: they feel resentment in abundance at the tehsildar who oppresses them, or possibly at the collector, if they apply to him without obtaining redress, but I do not imagine that their resentments go any further.

3509. If the person against whom his resentment is excited is the immediate agent and representative of the government, will not his resentment be transferred to the government in a greater degree than when there is the intervention of the zemindar and the tehsildar?—I should think not; if it extends beyond the immediate instrument in any case, so that they trace the exaction to its source, I think they must be able to do so as well where the middle-man is the agent as where it is the tehsildar, and that they consider the middle-man as much an agent of government as the tehsildar.

3510. Under the ryotwar system, if the ryot is divested of his land from default, is it not in his power to return to the possession of it at any subsequent period?—That claim is maintained by a class of persons under the Madras presidency, who are called meerasadars; even should they have abandoned their fields, as they do when an assessment is demanded which

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3511. Is that common to the ryotwar system in all parts of the country?—I should say, from my present recollection, that this claim is peculiar to the meerasadars.

3512. Is it a claim allowed by our government?—It has in some degree been limited by our government. It was found, where the lands of the meerasadars were abandoned in this manner, that there was no possibility of having them occupied without great disadvantage; because the intermediate occupant was wholly uncertain with regard to the period of his occupancy, if he was liable to be dismissed by the meerasadar whenever he returned, and accordingly government have assumed the power of assigning by pottah these lands of the meerasadars to intermediate tenants, for a period of years; and it has been under consideration, though I do not recollect whether or not the suggestion has become law, to name a period beyond which the claim of the meerasadars should not be sustained.

3513. Wherein does the situation of the meerasadar in Madras differ from the khoodkhast ryot in Bengal?—According to my conception of the matter, the right of the khoodkhast ryot, and that of the meerasadar, are not essentially different. The difference consists, I think, in certain peculiarities. Over a great part of the Madras territory where those meerasady rights are claimed, the rights of the khoodkhast ryots generally have become extinct. The greater portion of the inhabitants of the villages do not claim the hereditary right; the meerasadars are the only parties that continue to claim that right, but they commonly claim something more. There are certain fees, dues and other privileges in the villages to which in general they advance claims; and they appear to me in those cases to be the descendants of the principal families who had borne office in the villages, and to whom, in that capacity, those dues belonged. Those two circumstances taken together, the hereditary occupancy of the khoodkhast ryots, and the claim to certain dues and distinctions in the village, which also had been enjoyed hereditarily, appear to me to account for the whole of the meerasady rights.

3514. Do you conceive that meerasady rights, or something very like them, existed throughout India till disturbed by the various modes of settlement which have been made?—The khoodkhast ryots I consider to have been universal in India, and the land to have been held by them, with few exceptions; I also conceive that the principal offices in the villages were hereditary in certain families, to whom belong advantages similar to those now claimed by the meerasadars at Madras; that is, certain dues and privileges beyond the perpetual occupancy.

3515. In answer to question 3327, you mentioned, as an objection that had been made to the putcut system, that it did not provide for the case of a ryot

a ryot obliged to discontinue any part of his cultivation in one year through accidental misfortunes. Then, in answer to question 3331, you mention a suggestion for getting over one difficulty of the putcut system; but your answer still leaves it to be inferred that all land is to be assessed according to its fertility, whether actually cultivated or not. Has any mode been suggested for obviating the objection which has been referred to?—The difficulty which the question refers to, as I understand it, is the difficulty which, from his poverty, and from the great fluctuation of the seasons, the ryot feels in paying a fixed rent for any number of years in succession, it being often impossible for him to cultivate nearly as much in one year as he may have done in another year; and if the rent is charged upon him for the whole of a certain holding in a year, in which it may be impossible for him to cultivate more than one-half of it, it cannot be paid. That seems to imply the necessity of taking account of the particular land cultivated in each year; that difficulty still remains, and it is not to be got over.

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3516. Does it appear that in Coimbatore that has been greatly felt, seeing that the revenue has been increasing?—There is no complaint of that evil in Coimbatore, as far as I am aware; the objection has been started by collectors in other places.

3517. You mentioned the average size of a Bengal collectorate; what is the average size of a collectorate under the ryotwar system?—If that means either the territorial extent or amount of population, I cannot give an immediate answer. It has been considered that a collection to the amount of twelve lacs of rupees for one collector should be considered as a species of standard.

3518. Does that apply equally to the ryotwar and the permanent settlement?—The same rule does not apply to settlements in detail, and to the permanent settlement. Under the last, the collector is a sort of receiver-general, and can manage a much greater extent of country.

3519. Then, in fact, a much greater number of European servants are required under the ryotwar system?—A much greater number.

3520. Does not the administration of the ryotwar system require a great share of intelligence and temper, and discretion on the part of the collector?—Those are most valuable qualities under all systems, and where there is a want either of discretion or intelligence, and perhaps still more a want of vigilance, the business is sure to be ill-performed, peculiarly so under the ryotwar, because under that system a great deal must always depend upon the qualities of the superintendence.

3521. Do you conceive that the service furnishes a sufficient supply of competent persons for the ryotwar management?—I believe that in general the ryotwar collectors have more to do than they can do well. But the only obstacle to the augmentation of their number, is the expense.

3522. You have mentioned that in the ryotwar settlement the collector deals

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deals directly with the ryot ; was it not part of Sir Thomas Munro's system that the potail should be extensively employed in the administration of that system ?—The potail had various duties ascribed to him : latterly under Sir Thomas Munro's system, he was made a species of magistrate and judge in the village, but he was not employed in the collections.

3523. Have you any means of procuring information for the Committee as to the proportion which the collections in the ryotwar districts, in which there is a permanent maximum, have borne to that permanent maximum ?—I think such an account may be made out.

3524. Under the village settlement, supposing one ryot to fail, are the other ryots liable to make good the deficiency ?—Not at all.

3525 Is not that the case in many of those village settlements ?—Not now. At first the people of the village were made responsible for the default of particular individuals among them, to a certain extent ; to the extent, I think, of ten per cent. ; but that practice has been abolished, prohibited, and declared illegal.

3526. What was the settlement in Cuttack, before Mr. Wilkinson settled it ?—A zemindary permanent settlement.

3527. Of what class of persons, generally, were the mootahdars established in the Madras territory, at the first introduction of the permanent settlement ?—I am not informed particularly as to the class of persons. I infer generally from all I know, that they were parties connected with the districts, and they must, to a certain extent, have been persons either of substance or of credit.

3528. Do you apprehend that they were, any of them, cultivating ryots ?—Not cultivating ryots ; because, in general, a sum was paid for the mootah : they were put up to sale.

3529. On what authority or evidence do you say that the dacoity did not prevail before the permanent settlement, as it has prevailed since ?—It was understood, when it broke out in Bengal a good many years ago, to have broken out in a degree that was never known before ; so it was reported.

3530. Do you conceive that the inconvenience ascribed to the ryotwar system, from the corruption of the native servants, has had an extensive effect upon the collections ?—The answer to that question can only be conjectural ; there is no precise data from which an opinion can be formed. I have no doubt that the effect of the corruption of the native servants has been very considerable ; in some instances it has been found to have gone to a great extent. The case of Coimbatore is one of the most remarkable, but occurred antecedently to the introduction of the ryotwar system in that district.

3531. Is it not probable that the ryots, under the permanent settlement, suffer all the inconvenience, if not much more than that which we see in the worst

worst cases under the ryotwar system, but that from the nature of our connection with them we do not perceive it?—Yes, that is my opinion. I think there is evidence to prove that under the zemindary system every thing is taken from the ryot that can be taken from him. The great present difference between the two cases, in my opinion is, that under the zemindary system the condition of the ryot is hopeless and remediless while the system lasts; on the other hand, I infer very strongly that under the ryotwar system the remedy is by no means impracticable.

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3532. Are you aware whether the condition of Guzzerat, of which you have spoken, is essentially different from that of the other provinces in the western parts of India, as being a richer and more agricultural country?—A great portion of Guzzerat is fertile, and in those districts that have been regularly and minutely surveyed, I have no doubt that the revenue is collected with more certainty, and the capabilities of the soil better ascertained than in any other.

3533. Have you, from any reports you have seen, ascertained the condition of the principal inhabitants and owners of the cultivating class of that country with respect to their houses and their comforts, and their property generally?—I have no minute evidence to that effect. From the general import of the evidence afforded respecting that country, it may perhaps be inferred that the condition of the people there is less distressed than in most other places in India.

3534. Are you aware that the late Mr. Duncan, as well as Mr. Elphinstone who succeeded him, in settling it paid a most minute attention to preserve, in every fiscal arrangement, the usages and habits, as far as he could, of the cultivators and inhabitants of that country?—That was always a great object with Mr. Duncan.

3535. And have not his successors maintained the same species of administration towards it?—Yes.

3536. You have stated that there was a correct survey, accompanied with reports, furnishing a most detailed account, both of the extent of country, the nature of the soil, the amount of revenues collected, as also statistical accounts; are you aware that that was a survey conducted by military officers, and separate from the collection of revenue?—Yes.

3537. Are you aware of the circumstance of that survey having been altered three years ago, and of its being now conducted upon the same principles by natives of India, under the immediate orders of the collector, for the purpose of aiding him in the fiscal administration of the country?—Yes, and that it is now carried on with a great diminution of expense. We have not as yet received evidence in this country, particularly as to the operation of it in this new form, but I have no reason to believe that it is not going on perfectly well, and certainly with a great diminution of expense.

3538. Speaking of the Deccan and other parts of that country, you are aware

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aware that that country has been, during very nearly a century, a theatre of war, and that all accounts and settlements connected with the villages in that tract of country, had been almost entirely destroyed when it came into our possession?—Certainly; it was for the period mentioned subject to the inroads and ravages of lawless and undisciplined armies of various descriptions.

3539. Are you aware that a revenue survey assessment, distinct from a geographical survey, is now in progress in that country?—Yes.

3540. Are you aware that both in Guzerat and the Deccan the greatest pains have been taken, and that the completest records are placed in possession of government, and the authorities at home, describing every tenure by which land is held, either in proprietary right, or in claims by village officers, or in occupancy by the ryots?—Great pains have been employed to obtain information as to all those points.

3541. Are you aware that in the revenue assessment now going on, the utmost attention has been paid to re-establish in the country of the Deccan all rights of village officers and others; and that the utmost attention has been paid to their hereditary rights, and that a settlement of them is in complete progress?—Yes, there is very satisfactory evidence that such have been the instructions of government to the officers employed in those districts, and from their report there is also evidence that those instructions have been very carefully attended to.

3542. Do not you conceive that under all the disadvantages of making a survey so minute as the revenue assessment survey, it is the nearest approximation to the truth to which the government can come, both in relation to its own rights, and the rights of the inhabitants and cultivators of the soil?—When a survey of that description can be made with accuracy, there is no doubt that it is a most important record; but the difficulties in the way of getting it with an accuracy that may be in all cases depended upon, are very great. My notion is, that a good deal will be wanting in the possibility of the requisite accuracy in the first instance, such accuracy as to be depended upon for the proof of rights; I should imagine that in most cases, notwithstanding this record, although it would afford important assistance, yet a careful and vigilant judge, who had a cause to try involving the question of rights, would think it necessary to have recourse to ulterior evidence.

3543. The question refers not to the judge, but to the collector in regulating his collections. Is it not the nearest approximation that can be made to the actual contents of the land and its production, and to judge of the revenues that may be collected?—I have not the least doubt that it is a mode of obtaining the most perfect knowledge, and that no other mode besides a careful inspection can be effectual to that end.

3544. When that assessment is made, and a register of the fields, and of the maximum that can be levied, is left in the village according to the rules, and another in the collector's office, do not you consider that those records furnish

furnish the best check that can be instituted against the frauds of intermediate agency?—They are, so far as correct, invaluable checks.

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3545. Do not you consider that native servants employed in the revenue line who are placed in higher situations than formerly was the usage, receiving better allowances, and being treated with more respectability, may become under an assessment of this kind subordinate instruments, that will in a great degree diminish the want of European agency?—I have no doubt, that under a liberal treatment, and under a vigilant superintendence, and with the progress of education, the qualities of the native agency will improve, and after a time will improve rapidly, and undoubtedly as the natives become fit for trust and employment, the amount of European agency may be diminished.

3546. Should not you make a considerable difference with respect to the measures necessary to be taken in a revenue survey, between those countries, where from their having enjoyed a complete peace, their village records are in such condition that they can be referred to and verified and examined; and a country such as the Deccan, where those documents have been almost entirely destroyed?—I conceive that a correct assessment of the land, and a satisfactory collection of the revenue, is a much more difficult thing, in countries in those unfortunate circumstances, than it is in other situations. It is much more difficult to ascertain what a village can pay, in such circumstances, because the land has been rather half cultivated, than entirely cultivated. The capabilities of the ryots, from their extreme poverty, may be also considered as greatly reduced; but the degree to which they are reduced, and the degree to which they may be able to turn to advantage the qualities of the soil, must always be a matter of great uncertainty till experience has been gained.

3547. Do you not consider it of very great importance, in the present situation of India, to introduce a class of inhabitants and cultivators, who shall be in the possession of property sufficient to enable them to cultivate sugar, indigo, silk, and other things besides grain?—There can be no doubt, that it is of importance to have in India, as well as in any other country, persons in circumstances to raise any produce for which there may be a profitable demand.

3548. Do not you consider that in the interior provinces of India it is of great consequence, that every possible encouragement should be given to cultivators in those provinces to become improvers of the soil?—They should be encouraged undoubtedly, so far as the removal of every obstruction goes.

3549. Are you aware that in the revenue assessment instituted in the Deccan, it is part of this plan that the potail, or head of the village, should in fact be employed in the fiscal administration, as a person that was to be accountable to a certain extent for the revenue collected upon the lands

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of his village?—Yes; I conceive that to be the system generally in the Deccan.

3550. Are there any points in which you conceive that the revenue system of India can be improved by any legislation in this country?—I am not aware that legislation in this country can do much. I should find it exceedingly difficult to frame a law adapted to the case, if I was called upon to do so.

3551. Should not you conceive, that if any material improvement is to be made in that system, it must be made by the local governments of India?—I think entirely so; not, undoubtedly, excluding suggestions from this country; but I think that the whole of the details of legislation must be left to the authorities on the spot.

3552. Do you think that it is possible for Parliament to interfere in any way in the internal system of the collection of the revenue in India?—I think they will do so with great hazard.

3553. Have you ever considered whether it would be a great advantage to India, to substitute other sources of revenue for the land revenue, which is established in that country?—Quite the contrary; my opinion is, as I have already stated, that a system of land revenue, where means are taken to confine the collection to rent, and where it is not allowed to exceed the limits of a reasonable rent, is one of the most favourable circumstances in the condition of any country; because, so far as the wants of the state can be supplied from that source, such a country is untaxed.

3554. Is it your opinion that the revenue system might be so improved as to render the present system of taxation the best that could be devised for that country?—That is my opinion.

3555. Can you point out, shortly, the means by which you think the system might be brought to that condition?—The means, as was implied in a previous answer, must be left, in a great degree, to the intelligence of the local authorities. If we are agreed upon the fundamental principle, that it is the obtaining of a fair rent, the grand endeavour obviously is, to limit the collections to this rent. Now, the doing this is unquestionably a matter of extraordinary difficulty. The difficulty of it must never be overlooked. We have none but very imperfect instruments to employ; with a total absence of a moral feeling in the country to aid us, it is not shameful to be dishonest in a public trust; no discredit attaches to a man in such a situation for robbing either his fellow-subjects or the government; and if he does not avail himself of his advantages to make himself rich by any means, he is rather reckoned to have behaved unskilfully than to have behaved honourably. When we consider, in addition to these circumstances, how imperfectly any one European, with an imperfect knowledge of the natives, their language and circumstances, and with the large extent of country to attend to, can watch over the numerous individuals that he employs, it will be easily understood that the difficulty is exceedingly great of limiting the exaction upon

upon the ryot to the rent ; but means, I have no doubt, will be discovered by vigilance and care, and by improvement of the judicial business generally, the great instrument of protection in the long-run, aided by those improvements in the education and intellects of the people, which will take place gradually, and which have been taking place ; I have no doubt that means will be found of limiting the demand upon the ryot to a moderate rent, and then I conceive that the prosperity of that country will be as fully secured as it can be.

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3556. Do you then resolve the whole question of the revenue system in India, into the moral condition of the natives?—That is one of the causes of the difficulty of limiting the demand to an adequate rent : but another great difficulty undoubtedly is found in estimating, correctly, the capabilities of the land, what in each instance the rent is. The best mode of approximating to correctness, will probably be an attentive observation of the effect of any particular amount collected ; whether the payment is made with difficulty or with ease ; to watch carefully till evidence is obtained, that what is exacted of the ryot is only a moderate exaction. It is well known how difficult it is for a proprietor in England, and with the aid of the most experienced people, to ascertain correctly the capabilities of his various farms. Where so much more is to be done, and the instruments so much more imperfect, the difficulties and uncertainties must be greatly multiplied.

3557. Two main difficulties which you seem to consider as impediments to the improvement of the revenue system in India, are, first, the want of sufficient means of agency, and in the next place the difficulty of administering justice ; would not the former of those difficulties be greatly remedied, if the natives could be raised to such a moral condition that they could be extensively employed ; and with regard to the administration of justice, would not that be greatly facilitated, if they not only could be more extensively employed in its administration, but if they were more trustworthy with regard to giving evidence, and so on?—There is no doubt that a great portion of the difficulties which now obstruct the satisfactory collection of the land revenue arises from the moral condition of the natives.

3558. Is not one inference from this view, that, whatever change may take place for the improvement of the revenue system in India, must be a gradual change, and cannot be effected by any specific Act of Legislation?—Various things might be enacted that would aid the process, but with that limitation I should answer the question in the affirmative.

3559. In the opinion you have given respecting the moral character of the natives, do you refer to the former period of our rule, when the classes of persons employed were different from those at present employed, and when our own knowledge was less, or to more recent times, since the natives have been brought forward in the judicial and fiscal lines into higher situations, and have been more confided in by Government?—I should not make any very great distinction between the two periods. Although I have no doubt

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that a commencement of improvement in the moral condition of the natives has been made, I conceive that all improvements of that sort are slow, and must be very slow under the unfavourable circumstances in which the natives of India remain after being placed for many generations under the demoralizing influence of a bad government, under which they found their protection against oppression in nothing but cunning and fraud.

3560. Do not you conceive, with reference to your general conclusion as to the character of the natives of India, that falsehood and a want of moral sense are the arms that persons subject to a despotic and tyrannical government employ for their own protection, and that in countries where they have seen a different rule established a great proportion of them have returned to a better condition in point of their moral feelings?—I have not the slightest doubt that the operation of our government has had a very salutary influence in that respect, and that it will go on gradually, rendering its good effects more and more visible; but I do not imagine that such progress has yet been made as to render it safe to trust the inferior people that we employ, or to relax the most vigilant superintendence.

3561. Are you aware that for the period of seven years past the native commissioners have had the decision of civil suits in the Deccan and Southern Mahratta countries to an amount of 5,000 rupees, and that they have acquitted themselves of that judicial trust to the great satisfaction of the Government?—Moonsiffs, with similar powers and similar jurisdictions, have been established under the other presidencies; and that they have rendered useful service I have no doubt, but in Bengal and also in Madras there is evidence of no small amount of corruption, and I should imagine that the corruption is not less in the Deccan.

3562. Are you aware that the government of Bombay, acting upon the testimony they have received of the faithful and honest manner in which those duties have been fulfilled nearly two years ago, gave the original trial of all civil suits to them, and that for eighteen months they have given general satisfaction, having had their pay raised and the way to honour opened to them?—I have no doubt that their conduct has been improved, and the facts with respect to the powers that have been entrusted to them, are such as are referred to in the question.

3563. Are you aware that the native sub-collectors of provinces have not only with increased pay and respectability been employed in the collection of revenue, but have had police duties and magisterial duties to a very considerable extent trusted to them?—They have.

3564. Have you heard that they have or have not proved worthy of that trust according to the records of government?—The evidence, since they have been employed in the Deccan, is not very decisive. I recollect no complaints on the records of government respecting them in Guzerat or the Deccan, but there have been heavy complaints respecting functionaries of the same description in the other presidencies.

3565. You

3565. You expressed an opinion that the present system of revenue in India was as advantageous as any system that could be devised. Do you apply that generally to the revenue, or only to the land revenue?—I apply it to the land revenue, and in a limited sense. I stated that my conception was that the collection of land revenue in India hitherto has never been limited in the degree which it appears to me necessary to limit it, in order to render it a salutary and good revenue system. If it were limited to the rent merely, and the collection were not carried beyond the limits of a moderate rent; if that could be obtained, and I am not aware of any impossibility of attaining it, then I should say that the revenue system in India is the best in the world.

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3566. Then the favourable opinion you express of the revenue system of India is to be considered as merely applicable to the land revenue?—Yes, when that perfection is attained which, if vigilantly pursued, I have no doubt is attainable. As soon as that point is attained, when the expenses of government are so confined, and the rent of the country is so augmented with the increase of population, that the revenue derived from the rent of land will be adequate to all the exigencies of government, all other taxes without exception may then be abolished, and India will be a country altogether untaxed.

3567. Then you do not apply the high estimation in which you hold the revenue system of India to the sayer duties, and the revenues derived from opium, salt, &c.?—Certainly not.

3568. Would not such improvement as that which you suggest in the levying the land revenue in India, namely, limiting it to a moderate rent, be necessarily followed by a large immediate reduction in the revenues of the state?—It is difficult to say at the present moment to what degree the collections exceed the rent upon the whole. I should not imagine, although it be to an extent to be considerably oppressive to a poor people, that the real amount beyond the rent is very considerable; but even if it were considerable, it is quite certain that the rent of land must increase along with the increase of population and extension of culture; and it is not unreasonable to expect that a rent may be easily derivable from the land, after a lapse of years, much greater than that which is oppressive at present.

3569. The question did not apply to the prospective recovery of the amount of revenue, but as to the immediate effect of limiting it upon the principle you have described; must there not be an interval in which the revenues of the state would be deficient?—It is likely that it would make a considerable deficiency if the assessment were at present brought down to the degree which I should think advisable; but that I think should in no instance hinder the reduction wherever it can be ascertained that more is taken than a moderate rent, because that is all which can be taken without permanently keeping down the country, without arresting improvement; and therefore if it is ascertained that there will be a considerable reduction of the
revenue

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revenue in consequence of so limiting the assessment of the land, every exertion ought to be made to bring down the expenses of the state, so as to enable this to be effected.

3570. In what manner would you fix the rent?—I would fix it in no other way than by ascertaining as accurately as possible what is the rent that such a portion of land could afford; that must be ascertained in India in the same manner as it is ascertained every where else.

3571. Is it not however a fact, that at the present moment the charges upon India considerably exceed the revenue?—The charges upon India do exceed the revenue.

3572. And that the estimate for the year 1834, which has been laid before the Committee, shows an excess of charge over the revenue of £800,000?—That may be the case.

3573. Under these circumstances, do you think it very likely that the government will be able to resort to that system, implying a considerable reduction of revenue, which would place the ryots in the condition that your answers have supposed?—I should say that every exertion ought to be made to enable them to do so; I think it would be an impolitic thing to order it to be done immediately, but I have no doubt that every exertion ought to be made to bring affairs to that condition.

3574. As a very considerable time has elapsed since our possession of the greater part of India, has any progress been made in the accomplishment of that object?—I should say great progress, because in cases without number a diminution of the assessment has taken place; and it has been ordered, that in all cases where any symptoms of over-assessment appear, a reduction should promptly take place, and that the limit should be to allow a full remuneration to the cultivator for his labour and the use of his capital.

3575. Do you consider that principle to be really established in any part of India?—With regard to any province, or perhaps any considerable district, taken generally, I should not venture to say so.

3576. Where the rent assessed is so excessive that it cannot be realized, this diminution, of course, cannot be stated as a loss to the revenue?—Quite the contrary; wherever it exceeds the proper amount it is uniformly followed by a diminution of the receipts of subsequent years; and a pressure upon the ryots for a single year has very frequently been found to occasion a diminution of cultivation for a number of subsequent years, so that government, even with the narrowest view of its own interest, must be anxious to avoid over-assessment.

3577. Is not the extension of the cultivation of the soil an obvious mode of increasing the land revenue?—Doubtless.

3578. Is there not a large portion of land not cultivated at present, both in Bengal and elsewhere, which is capable of being applied to the purposes of cultivation?—A large proportion.

3579. You

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3579. You have stated, that in the instances in which the cultivation has been so extended, it has been done by the ryots themselves, rather than through the interference of a zemindar?—Yes.

3580. Would it not be a great object to give greater encouragement to the ryots in so extending the cultivation to those lands?—No doubt.

3581. Would not the means of that encouragement be found in extending and making more universal the system of granting pottahs of the land?—The difficulty with regard to pottahs is that which I have mentioned; the fluctuation of the seasons and the fluctuation in the circumstances of those impoverished people. These fluctuations render any amount fixed for a number of years, exceedingly uncertain of collection. The untoward circumstance of the improvidence of the natives, who seldom husband the resources of a favourable year to supply the deficiency of an unfavourable one, renders the difficulty greater. If a rent proportioned to a medium year, and a moderate rent, is settled, the effect will be that you will receive no more than this medium rent in a prosperous year, and you cannot receive so much in unprosperous years; so that something considerably less than the moderate medium rent is thereby ensured to the government, without an increase of wealth to the cultivator.

3582. Would not a further means of encouraging the ryots to extend cultivation to land at present uncultivated, be found in giving facilities beyond the three years' exemption of rent on waste land, which is now the practice?—A difficulty, in regard to this, is the want of capital. In a great part of India, even the cultivated part, the ryots are too poor to cultivate their present lands, and the practice exists of aiding them with capital; this is so common as to have a name: it is called tuccavee. This granting of tuccavee, however, requires careful superintendence to prevent it from being a source of abuse; there is difficulty in recovering it, and it is liable to fraud in the distribution. If tuccavee could be correctly advanced, the most effectual means of encouraging cultivation of the waste would be, I think, to advance tuccavee liberally to the ryots who engaged in it.

3583. That object, it is presumed, could only be effected on those estates which are in the hands of government?—Only on those, because if effected in other cases it would be for the benefit of the zemindars, not of government.

3584. Do you conceive that it would be a great object, in a public point of view, that the government should come into the market, on all occasions on which the estates of the zemindars were brought to sale?—I think it ought to be left very much to the sagacity of the officers upon the spot, to determine in what instances it can be done with any reasonable advantage, and when not. There is no doubt that the appearance of government in the market would have a tendency to raise the price, and produce in consequence an over-payment.

3585. Are

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3585. Are the zemindars in the habit of raising money by loan, in the way of mortgage?—They raise money by way of loan; to what degree it can be considered mortgage, I do not feel myself competent to speak.

3586. Do they raise it upon mortgage bearing interest, and so that the creditor can come in and take possession by means of foreclosure?—Mortgage, I imagine, among the zemindars is by no means a common thing. The interest of money is exceedingly high to the zemindars; at this time, when money is borrowed by government at four per cent., it is reported that twenty-four per cent. and even thirty per cent., is a common rate paid by the zemindars in Bengal.

3587. Upon what security does the zemindar raise money?—Upon his personal security and his property, which is sold for debts to his private creditors, as well as to government. A zemindary will be sold in the execution of a decree, as well as for arrears to government.

3588. Can you state the annual amount of tuccavee under the presidency of Bengal, distinguishing the amount in the provinces of Bengal from those of Benares and the upper districts; and can you also state the amount advanced under Madras and under Bombay, stating if there are any portions under each of them to which tuccavee is not advanced?—The government advances no tuccavee in any of the permanently settled districts, because there it would be advancing to the tenants of the zemindars. It is very possible, that the zemindars advance, but of that the government does not take any account. Tuccavee is advanced in the other provinces, but we cannot afford a full account of it. I directed yesterday, at the India House, an account of tuccavee to be made out for a number of years, as one of the best sources I could have recourse to, to estimate the progress of the circumstances of the ryots, whether they were advancing or not; because if the amount of the tuccavee advanced appeared to be lessened, I should have inferred that the circumstances of the ryots were improving; but only for Madras I find that the account could be made out. I have a statement of the advances of tuccavee in the Madras district from 1820 to 1827. This affords no favourable inference in regard to the circumstances of the ryots. The increase of the advances may indeed be accounted for in two ways, without supposing that there is a real deterioration of the circumstances of the ryots. It may have been granted in consequence of extended cultivation; and it is certain that there has been more demand in the last few years, on account of the unusual badness of the seasons. In 1820 the amount of tuccavee under the Madras presidency was nearly eleven lacs; in 1821 it was somewhat less than ten lacs; in the year after it was eight lacs 75,000; in the next year it rose to eleven lacs 78,000; the next year it was ten lacs and a little more; the next year ten and a half lacs; and in the next year, 1827, it was twelve lacs 96,000.

3589. Are the Committee to understand that that money is advanced to the ryots out of the revenue collected, to enable them to carry on their cultivation?

tivation?—It is advanced from the collector's treasury, at the period when cultivation commences, to such ryots as can afford reasonable security for the repayment of it.

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3590. What rate of interest is charged to the ryots in Madras for the use of money thus advanced?—I think twelve per cent.

3591. Will the accounts you have directed to be made out, show how far the monies advanced in tuccavee have been recovered, with all the interest, at twelve per cent., which are the terms upon which that has been advanced?—Yes, the degree in which it has been recovered may, I imagine, be ascertained from the accounts.

3592. Would those accounts state the number of applications, or can you state whether all the applications for such advances are granted according to the demands of the ryots, or whether any rule of limitation is laid down?—The account will not exhibit the number of applications, nor can I speak to them in any other way than by inference; compliance with the application is a matter for the discretion of the collector.

3593. Would not the number of demands for assistance be a better index of the state of the district, than the actual amount that may be advanced?—I am not sure of that, because the demands are very capricious, and I should trust more, I think, to the amount advanced than to the applications.

3594. Do not you know that in point of fact the demands depend upon the state of the preceding year's crops, and the situation in which the ryots are left?—The ability of the ryot depends undoubtedly upon the state of the previous crops, and upon all the circumstances that effect the gains of the year; but his demand for tuccavee does not depend upon those circumstances exclusively, it also turns to a considerable degree upon his anticipation of the advantage he can make by it.

3595. Is not the necessity of those advances a sure index of the poverty of the rural population to carry on the cultivation of the country?—I consider that such advances are only needed in countries where the agricultural population is poor, where there is a great defect of capital for the business of cultivation.

3596. Comparing the state of the population in the provinces of Bengal, with their condition in the other districts; are you prepared to state that the circumstances of the ryots in Bengal are so much superior with regard to capital to those of the Upper Provinces, as not to require the same indulgence and assistance in advances?—In regard to what they do receive, we have no means of ascertaining that because the zemindars advance it to them; but I have no reason to believe that the ryots generally in Bengal, are not in as wretched a condition as anywhere else in India.

3597. Are you able to state from any documents you have had recourse to, whether the same proportion of tuccavee is advanced by the zemindars in the settled districts, as what is advanced by the government in the upper districts?

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3598. Is not tuccavee advanced very often for making wells, and for general improvements in cultivation, as well as for waste lands?—It is advanced generally for all the purposes of the parties who apply for it, whether they are individual ryots or villagers.

3599. Is it not advanced for general improvements in the cultivation, if the ryot can give sufficient security?—It includes all exigencies of the ryot, and is advanced generally, not with a view to improvement, but to carry on the customary cultivation.

3600. In every tuccavee advance, do not the stipulations require the repayment by instalments at the same time that the revenue is paid, and if so, would it not be impossible to apply it to improvements of wells if the repayment is understood to be derived from the produce of the crops?—When the advance is made on account of wells, a particular bargain is struck, repayment is made by distant instalments; commonly, however, when the ryots apply for tuccavee on account of wells, which they are otherwise unable to make, the well is made wholly at the expense of government, and paid for by an increase of rent.

Martis, 16^o die Augusti, 1831.

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THE two following Petitions, presented to the House on the 28th June and the 20th of July 1831, and referred to this Committee, were read.

Petition from
China.

THE humble Petition of British subjects in China, sheweth, That the Petitioners, having long submitted in silence to the absolute and corrupt rule of the Chinese government, consider it a duty alike owing to their country and to themselves, to bring their grievances to the notice of the House at this important crisis, when the regulation of British intercourse with China engages the attention of the Legislature, in consequence of the approaching termination of the East-India Company's Charter. While British intercourse with every other considerable state in the world is regulated by international treaties, that with the Chinese empire is abandoned to the arbitrary control of the local authorities of Canton, a venal and corrupt class of persons, who, having purchased their appointments, study only the means of amassing wealth by extortion and injustice, equally unrestrained by their own, and unopposed by the governments whose subjects they oppress; for the attainment of this end, severe burthens are imposed upon commerce, unsanctioned by, and frequently in defiance of,

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of, commands from the imperial government at Peking, to which the most unfounded reports are made of occurrences in that remote province, while no means of counter-action, by opposing statements, are in any way afforded to the Petitioners. From the earliest periods of British subjects resorting to that empire, trade has been the sole object, a desire to promote which, and sometimes, it must be admitted, a nervous anxiety for its preservation, have subjected foreigners to privations and treatment to which it would be difficult to find a parallel in any part of the world. China was too remote from England, and the commerce was too limited, to render it in former years a subject of much national interest, but during the whole of the eighteenth, and still more during the present century, it has been gradually increasing, in defiance of Chinese restrictions, until it has reached a point of such important magnitude, as the Petitioners feel satisfied will raise the anxiety of the House to place it, if it be possible, upon a permanent and honourable basis. The Petitioners entertain a firm belief that much may be obtained from the fears, but that nothing will ever be conceded by the good-will of the Chinese government; in confirmation of this opinion, the attention of the House need only be intreated to the total failure of both the Embassies to the Court of Peking in every respect, except the high principle which was maintained in the refusal to acquiesce in humiliating and degrading requisitions, which, the Petitioners are convinced, produced a moral effect of the most beneficial tendency upon the minds of the Chinese. That these Embassies were undertaken with a view to the improvement of the condition of British subjects in China, the Petitioners are deeply sensible, and indeed find this expressed in the instructions from His Majesty's Ministers to Lord Macartney: "Under these circumstances, it would become the dignity and character of His Majesty to extend his paternal regard to these his distant subjects, even if the commerce and prosperity of the nation were not concerned in their success, and to claim the Emperor of China's particular protection of them, with that weight which is due to the requisition of one great sovereign to another." The Petitioners trust that His Majesty's Government may ever be influenced by similar opinions. It is with considerable regret, however, that the Petitioners make another brief extract from the same instructions, unhappily still descriptive of the condition in which they remain: "Hitherto, however, Great Britain has been obliged to pursue the trade with that country under circumstances the most discouraging, hazardous to its agents employed in conducting it, and precarious to the various interests involved in it. The only place where His Majesty's subjects have the privilege of a factory is at Canton; the fair competition of the market is there destroyed by associations of the Chinese; our Supracargoes are denied open access to the tribunals of the country, and to the equal execution of its laws, and are kept altogether in a most arbitrary state of depression, ill suited to the importance of the concerns which are entrusted to their care, and scarcely compatible with the regulations of civilized society." The result of the two British Embassies, in common with those of all other European governments, will forcibly suggest to the House how little is to be gained in China by any of the refinements in diplomacy. The whole history of foreign intercourse with that country demonstrates that a firm opposition to the arrogance and unreasonable pretensions of its government, even with imperfect means, has, sooner or later, been followed by an amicable and conciliatory disposition. While the Portuguese of Macao maintained their independence they were treated by the Chinese government with respect, and carried on an extensive and advantageous commerce, but when they adopted a servile course of policy they were regarded with contempt, and a flourishing colony has gradually sunk into misery and decay. Even violence has frequently received friendly treatment at the hands of this Government, while obedience and conformity to its arbitrary laws have met only with the return of severity and oppression. In the history of English commerce with China many instances of this description exist. When Admiral Drury, in compliance

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with the reiterated commands of the Canton government, yielded up possession of Macao, which for several months had been garrisoned by a British force, the most contumelious and threatening proclamations were issued against him, he was declared to have fled from a dread of the punishment which awaited him. About the same period, after a horde of pirates, well known by the name of "Ladrones," had, for a succession of years, ravaged the southern coasts of the empire, and committed numerous atrocities, their leader, a man of bold and determined character, was received in person by the Viceroy with every mark of respect, invested with a robe of honour, and ultimately nominated to an important official situation; a British Admiral, for his forbearance, was despised and treated with indignity; the leader of pirates and banditti was, in reward of his atrocities, received with the most ceremonious attention, and was ranked among the nobility of the land. It is with no wish to advocate deeds of violence that these statements are made, but such is the people, and such the government of the Chinese empire. This submissive spirit was exhibited in the most striking manner which can indicate the character of a nation, when at the last Tartar conquest this most ancient empire of the world, containing many millions of comparatively civilized human beings, was subdued by its bitterest enemies, and yielded implicit obedience to a tribe of rude and ignorant barbarians. The Petitioners earnestly entreat the consideration of the House to the fact, that the merciless and indiscriminate laws of China, as applied to foreigners, make no distinction between manslaughter and murder. In those cases (happily few) of the death of a native by the hand of a foreigner, the life of an individual of the same nation (it being immaterial whether the offender or not) is invariably demanded, without reference to the palliating circumstances recognized by the Chinese law as modifying the offence and its punishment, where natives alone are concerned; on all such occasions the chief of the nation supposed to be implicated, is required to find out the guilty person, to point out his name, and deliver him up, that the local magistrate may try and punish him, which having been proved by melancholy experience to mean nothing else than summary execution, he is in fact required to select and surrender a victim for strangulation, to appease the sanguinary malice of this government. Such a requisition admits but of one reply, since no foreigners in China have authority from their own governments to judge or deliver up even a guilty fellow subject, and, on the other hand, non-compliance is sure to be followed by a total suspension of trade with the nation concerned. The necessity of thus permitting the guilty to escape, in order to secure the safety of the innocent, is an evil deeply to be lamented, and loudly calling for the interposition of the House. It is much to the honour of the British Factory, that since the year 1784, when an innocent man was seized and executed by the government of Canton, a firm and effectual resistance has been made against the enforcement of this unjust requisition, though such resistance has invariably given rise to suspension of commercial intercourse and long protracted discussions with the government. While the Petitioners acknowledge it as an undeniable principle, that foreigners should yield obedience to the laws of the country in which they reside, they submit, that this doctrine cannot be maintained in favour of a government which, like the Chinese, withholds from foreigners the protection of its laws, and whose power is felt only in a system of unceasing oppression, pursued on the avowed principle of considering every other people as placed many degrees below its own in the scale of human beings. The Petitioners will now briefly advert to some of the principal commercial disabilities to which they are subjected. English ships were formerly admitted to trade at various ports, Amoy, Limpo, and the islands of Chusan and Formosa, but of late the entire foreign commerce of this vast empire has been restricted to the single port of Canton, where the exorbitant harbour dues operate as a virtual exclusion of the smaller class of shipping; while the privilege of dealing with foreigners is confined to some ten or twelve licensed native merchants. Such is the

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the oppressive conduct of the local authorities towards these individuals, by a systematic course of constantly recurring exactions, and generally harsh treatment, that respectable and wealthy men cannot be prevailed on to accept the privilege, though earnestly urged by the government to do so, for the purpose of supplying vacancies arising from deaths and bankruptcies. The government being thus unable to maintain in an efficient state the limited medium of intercourse which they have established, and prohibiting foreigners from renting warehouses in which to deposit their cargoes, there is no adequate competition, nor any chance of obtaining the fair market value of a commodity, an evil the more deeply felt in consequence of nearly all the imports in the year necessarily arriving about the same time, during the few months when the periodical winds are favourable in the China Sea. From the moment a foreign vessel arrives, her business is liable to be delayed by underlings of the Custom-house, on frivolous pretexts, for the sake of extorting unauthorized charges; the duty on her import cargo is levied in an arbitrary manner, by low, unprincipled men, who openly demand bribes; it is, consequently, of uncertain amount, and, by the addition of local exactions, exceeds by many times the rate prescribed by the imperial tariff, which appears to be in general moderate, although so little attended to in practice, that it is scarcely possible to name any fixed charge, except on a very few articles. It is unnecessary to occupy the time of the House, by dwelling on the individual and national loss arising from this oppressive and corrupt system; it would be equally out of place to enter into a detail of the many studied indignities heaped upon foreigners by the acts of this government, and by the contumelious edicts placarded on the walls of their very houses, representing them as addicted to the most revolting crimes, with no other object than to stamp them in the eyes of the people as a barbarous, ignorant, and depraved race, every way inferior to themselves, thereby exciting the lower orders to treat them with habitual insolence. Suffice it to say, that no privation or discomfort is too minute to escape notice in the pursuit of this ever present purpose; free air and exercise are curtailed, by precluding access to the country or beyond the confined streets in the immediate vicinity of their habitations; even the sacred ties of domestic life are disregarded, in the separation of husband and wife, parent and child, rendered unavoidable by a capricious prohibition against foreign ladies residing in Canton, for which there appears to be no known law, and no other authority than the plea of usage. The Petitioners consider it a duty which they owe to truth and justice, to declare to the House, that they attribute the evils which have been enumerated, to the nature and character of the Chinese government, and not to any want of proper spirit and firmness in the agents of the East-India Company, who have on various occasions opposed effectual resistance to many of them, which could not have been attempted by individuals pursuing their separate interests, and unconnected by any bond of union. The servants of the Company have insisted on being heard by the government, and have maintained the right of addressing it in the Chinese language, when that has been denied to other foreigners; privileges have thus been repeatedly gained, and the most serious evils averted. The influence which the East-India Company has acquired by its extensive dealings, furnishes the strongest evidence of the importance of foreign commerce to this self-sufficient people. The Petitioners are, however, of opinion, that to place the commercial interests of Great Britain on that fair and equitable footing to which they are entitled, a higher authority is required, emanating directly from his Majesty, as a medium of communication with the Canton government, as well as with the imperial court at Peking, which would remove the impression prevalent among the Chinese authorities, that foreigners in China have forfeited the protection of their own Sovereign, as in the case with natives of China who leave their country. The Petitioners would anticipate the most beneficial results from the permanent residence, at Peking, of a Representative of his Majesty, instructed to act with becoming spirit

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in protecting the interests of his countrymen, an arrangement which they believe was considered of such importance, as to be one of the principal objects of the last embassy; and as the Russians, who conduct the trade on the frontiers between their empire and China, have long had the privilege of resorting to Peking, to acquire the language in a college expressly established for the purpose, it is reasonable to suppose that the residence there of British subjects would, if insisted on, be also tolerated, more particularly as they would no longer have to contend with the religious and political jealousy of the Roman Catholic missionaries, formerly established at Peking, but now dismissed. The successful termination of the Burmese war, and the approximation of the British dominion in India to the confines of China, are well known in that country, and a remonstrance from the British government would, the Petitioners have reason to believe, be received with a deference and attention never yet accorded to any embassy, all of which have been conducted on the erroneous principle of attempting to negotiate for that which, if firmly demanded, could not have been withheld, while the ambassadors have been designated "Tribute Bearers," and recognized in no other light than that of public officers deputed by inferior princes to offer presents and acknowledged vassalage to the supreme sovereign on earth. But the Petitioners cannot deny to the Chinese government the credit of having hitherto successfully triumphed over European power and dignity; the ruler of this most ancient empire has seen the representatives of the monarchs of other countries bear tribute to his throne, and in many instances prostrate themselves in the dust before him, while he has treated their abject and submissive spirit with the general indifference which it deserved. Unless through the direct intervention of his Majesty's Government in communication with the Court of Peking, the Petitioners feel that no material extension of British commerce, or effectual amelioration of the humiliating condition of British subjects in China, can be expected; if unattainable by the course suggested, the Petitioners indulge a hope that the Government of Great Britain, with the sanction of the Legislature, will adopt a resolution worthy of the nation, and by the acquisition of an insular possession near the coast of China, place British commerce in that remote quarter of the globe beyond the reach of future despotism and oppression. Your Petitioners therefore humbly pray, that the House will take the premises into their consideration, and grant such relief as to their wisdom may appear expedient.

Signed by Forty-one Persons.

Canton in China,
the 24th day of December 1830.Petition from
Calcutta.

THE humble Petition of British, Native, and other Inhabitants of Calcutta; sheweth, That your Petitioners, British and Native, inhabitants of Calcutta, and others, are animated with sentiments of loyalty to the Crown, and anxious to multiply and draw closer the ties of interest and affection which connect the two countries, by the removal of those legal obstructions to the application of British skill, capital and industry, to the commercial and agricultural resources of India, which are no less incompatible with national prosperity than repugnant to the laws by which all other British colonies and dependencies are governed. Your Petitioners prefer no claims to exemptions, favours, or privileges, at the expense of any class or description of his Majesty's subjects, and seek no other stimulus to the advancement of that country in wealth, knowledge and assimilation in all the elements of public strength and private happiness, than would result from a fair participation in the care and confidence of Parliament from the reception of its products on the payment of equal duties, and from the judicial safeguards of persons and property, which have ever been

been esteemed the birthright of Englishmen. The House must be satisfied from the uniform result of experience in all ages and countries, that trade cannot be profitably conducted by a government without the unjust and impolitic advantages of a monopoly, and that a government trade in concurrence with that of private merchants, must not only be attended with a waste of the public revenue, but be liable to come into unequal competition and injurious collision with the operations of individuals. These objections have long been acknowledged to be applicable to the Indian trade carried on by the East-India Company, and enforce the expediency of divesting that corporation, while exercising any of the functions of government, of the few commercial establishments which still remain to them. That the degree in which their monopoly of the tea-trade contracts the extent of commercial intercourse with China, and enhances the price of tea, is equally well known to the House. The people of England are thus indirectly taxed more than twice as much as they would be directly if the trade were opened, and the capital stock of the East-India Company (the dividends on which are now paid from the extra price levied on the consumer) were added to the national debt. Of the ships that would then be engaged in importing tea into England, some would bring their outward cargoes to this country, whence there is at present a difficulty in procuring return cargoes; but that resource and convenience to both countries is with many others prevented by the monopoly. That the importance of providing reasonable checks on the power of taxation and local legislation, when intrusted to an executive government, can never be undervalued by a British Parliament; but your Petitioners content themselves with submitting, that all regulations requiring the sanction of the authorities in England should be previously published, so that their representations on matters deeply affecting their interests may be brought under consideration both there and in England, before proposed regulations are enacted; and praying, That the House will take the premises into their consideration, and grant such relief as to their wisdom may appear expedient.

Signed by 375 Persons.

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Calcutta.

Then WILLIAM HENRY CHICHELEY PLOWDEN, Esq., was called in, and examined.

3601. You have been in China in the service of the East-India Company? —I have.

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3602. What was the situation you last held?—I was chief of the Factory two years.

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3603. You are of course then intimately acquainted with all the transactions which have taken place with the Chinese, and with the character of the Chinese?—I think I am, having been there the greater part of twenty-five years.

3604. Were you chief of the factory at the time the disputes in 1829 took place between the Chinese government and the Factory?—I was.

3605. What was the origin of those disputes?—They arose from a desire on the part of the Select Committee to ameliorate the condition of the foreign commerce at the port of Canton, which was very much embarrassed in consequence of the reduction of the number of Hong merchants, and also the failure of one of the Hong merchants which was then impending, of the name of Chunqua; there was also a desire on the part of the committee to endeavour

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endeavour to remove some of the exactions and extortions that seemed to press heavily upon the trade.

3606. Did you concur in all the proceedings of the Select Committee in China?—By no means in the whole of them. I concurred in the views of the committee to ameliorate the trade by all means that were justifiable, reasonable, and proper; but I considered that they exceeded those bounds, and therefore their proceedings met with my constant opposition from 16th November, and my disapproval previous to that period.

3607. Were you then chief of the Factory?—I was.

3608. You are speaking of the other members of the Select Committee?—I am speaking of the Select Committee.

3609. Will you state their names?—Mr. Baynes was second member of the council, Mr. Millett the third, and Mr. Bannerman the fourth.

3610. Had you by your instructions a power of taking upon yourself the responsibility of the measure?—I had not; I proposed to take it upon myself when measures were reduced to great extremity, but my colleagues would not hear of it.

3611. Had the grievances of which you thought it right to complain been of long date, or had any recent event brought them more prominently forward?—The only recent event was the probable failure of Chunqua's hong, which immediately drew our attention to the state of the commercial embarrassments; but these difficulties had been going on for some time, and it has been our constant endeavour, as they arose, to check them.

3612. In a letter upon the Secret Consultations of the 25th December 1829, are contained several complaints; are those the complaints to which you refer?—This letter is addressed to the hoppo, or collector of customs at Canton: it is a counterpart of a letter which was addressed to the viceroy previously, and in consequence of the injudicious language then and subsequently adopted by the committee, the viceroy put a stop to our correspondence. This letter is founded upon the propositions of the committee of the 2d of October.

3613. Is that a statement of the complaint which you thought it necessary to make?—I consider this to be a summary of the proposition of the committee which was sent to the government of Canton in October last. The correspondence had been subsequently stopped between the committee and the viceroy, and all communication was suspended till the hoppo came down to Canton, and they then renewed it by sending to that officer this summary of their former letter.

3614. Did you concur in every part of that letter?—Not at all; I was compelled to sign it, from my official situation: I had no option to refuse my signature, after it had been resolved upon by the majority. The Chinese government will not receive communications from the British Factory, unless they bear the signature of the chief and the seal of the Company; the.

the other members of the committee do not sign, and had I refused to do it, the viceroy would not probably have received the communication. 16 Aug. 1831.

3615. Then the necessity of your signature arose from an ordinance of the Chinese government?—And also from the constitution of the committee.

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3616. Did not your signature arise from the necessity you felt of yielding to the opinions of the majority?—Exactly so, though I dissented from them.

3617. Is there any mode of notifying to the Chinese government who is the chief of the factory?—I am not aware of any, except in the common course of proceedings; they know immediately that there is a change, but there is no official communication from the factory.

3618. Were those complaints which are here detailed, attended to by the Chinese government?—They received the greatest attention from the Chinese government.

3619. Were any of the requests conceded?—Yes, I consider that six of them were conceded; namely, 1st. All fees in the creation of Hong merchants abolished. 2d. The elder Chunqua ordered down to Canton. 3d. A reduction in the port dues promised to be referred to Peking. 4th. Compradore's charges reduced. 5th. Hong merchants no longer to be responsible for each other's debts. 6th. Payment of the import duties to be altered, as suggested by the committee. It will be necessary to refer to the propositions themselves, which are recorded on the 2d of October, in the letter addressed to the viceroy under that date; they are contained in page 153 of the First Report of the Committee on East-India Affairs in the last year. The first proposition is, that "Tungshang Hong, (that is "Chunquas") must not be allowed to fail; but Lewching-shoo, bearing money with him, must return. If Tungshang Hong fails, foreign creditors will doubtless become clamorous, and require the immediate payment of all their debts; they decidedly will not submit to be defrauded of their property, and afterwards wait five or six years before the whole amount is paid." The second proposition is, that "the new merchants for foreign trade, within twenty or fifty houses, must not have to pay the debts of other Hongs that fail. Neither natives nor foreigners are to be paid, but each Hong shall be required to pay only its own debts. Thus an excessive trust in Hong merchants will be wholly eradicated, and foreign merchants must not demand of the remaining Hong merchants, nor petition government to obtain payment from others who fail."

3620. What was the system upon which the Hong proceeded to which that proposition referred, of paying mutually their debts?—By the old regulations of the country the Hong merchants are responsible for each other, and in all cases of European claims, supposing one of their body fails, the others are looked upon as responsible for the payment of his debts, and under that system large sums of money had been paid.

3621. Did they actually pay the debts of each other?—Yes; and during
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the two years that I officiated as chief, I have a paper which shows the sums which were paid in those two successive years, it amounts in the aggregate to about 668,000 dollars; the four years previously to those two years the merchants had, I have been told, paid on account of their bankrupt colleagues, 1,200,000 dollars, and the debts of Chunqua's Hong, which is now declared insolvent, amounted to 861,000 dollars, and I have lately understood by letters from China that have just come to hand, that arrangements had been effected last February, for the payment to the creditors of 50 per cent. of their claims by last July, and the balance of the remaining 50 per cent. is to be paid off in three annual instalments by the other merchants; but these advantages now cease by the new regulations.

3622. Did the merchants share in each others profits?—Certainly not.

3623. To whom are these debts generally payable?—To foreigners entirely.

3624. Are any of those payable to the Company?—If the Company have been creditors they would have been paid in a similar way, but they were not in the two instances I have referred to.

3625. In the papers before the Committee, frequent allusions are made to the distress and bankruptcy of the Hong, do you conceive those representations to be strictly correct?—Yes, I think they are.

3626. In one paper it is stated by yourself that, in point of fact, the Hong were not indebted to the Company at all?—They were not a single fraction the two years I presided over the Eactory; there was a clear balance-sheet at the end of each season.

3627. Does not the new proposition tend to put an end to that practice of mutual payment?—It decidedly has done so.

3628. What was the motive that induced the English Factory to make that proposition?—The motive was, I believe, a desire to relieve them from embarrassment. I consider, however, that this was only a collateral cause of the embarrassments of the Hong merchants generally, but not a principal cause: a vast accumulation of a debt upon a body of men of course must embarrass them severely.

3629. What was the principal cause of their embarrassment?—I consider the principal cause of their embarrassment to arise from injudicious speculations in trade; and also, in a great measure, the exactions and extortions of government from them; and the responsibility for each other's debts may certainly be considered a collateral cause of their embarrassment.

3630. Is not the complaint that the government, in confining the foreign trade to a monopoly by their extortions, narrow that monopoly to the lowest possible number?—Yes, that is an object they have often had at heart; but it has hitherto been successfully defeated by the endeavours of the committee.

3631. Did the Chinese, in the payment of debts due by Hong merchants who had failed, make any distinction in their payments between Englishmen, Americans, or any other foreign country?—None whatever.

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3632. In what manner were the claims of foreigners on Hong merchants who had failed brought before them, were they through the agency of the president and committee of the India Company, or in what way were they brought to the notice of the Hong merchants?—They were generally brought to the notice of the Hong merchants by individuals concerned in the trade, not by the East-India Company's representatives.

3633. Do the president and select committee interfere for any debts due to Englishmen residing in India?—When they are applied to, invariably.

3634. In any of those cases which you have now stated during these two years, did the select committee interfere to obtain payment for any of those debts?—Certainly not.

3635. Then equal justice was done by the Hong merchants to the American as to the English merchant?—Decidedly; there was no distinction whatever.

3636. Were those payments in any manner made through the English Factory?—It is right to state how they were exactly made. The East-India Company have occasionally during the season large balances to pay to the Hong merchants on account of their transactions. The chief Hong merchant, Howqua, generally undertakes for the other Hong merchants the management of all those claims of foreigners, and draws up that very statement which I have produced; he brings it to the chief of the Factory, and states that such sums are required to be paid on account of foreign claims, and knowing that large sums are going to be issued from the Company's treasury in the course of their current transactions, he generally, to secure that money, begs that it may be withheld in the Company's treasury on behalf of those men; but it has always been resisted by the Company's chief, and by the committee, who have felt disinclined to interfere on such occasions.

3637. When you say it has been resisted, do you mean to say that it has not been done?—It has been done; and I will state how it has been done. The senior merchant in the two years that I presided brought that paper to me; I have not withheld from him that balances were to be paid to other merchants, but that before I should pay it out of the treasury to him, I should send for them, and confront them with Howqua, to ascertain whether they wished the payment to be so made; if they gave their sanction, the money was then, at their request, paid into the hands of Howqua from the treasury, instead of being paid to them individually. It was a sort of thing that the Company had no part in; it was merely a convenient mode of collecting the money; they were afraid they would not collect the money but by those means.

3638. In fact, the president and the committee yielded to the wish of the chief Hong merchant, with a view of facilitating the payment of the debts?—Yes; and during the two years that I presided over the factory, they were

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paid in that way, all parties consenting; without the consent of the Chinese merchant, it never would have been done.

3639. During the years you were there before you were chief, was the same settlement made of outstanding debts?—I believe so; but I can only speak for the time that I myself presided.

3640. Can you inform the Committee in what manner those claims are collected by Howqua?—Howqua generally endeavours to obtain from the foreigners a list of all their debts, and having obtained that, he, in conjunction with the other Hong merchants, make their arrangements for the liquidation of them in the way I have mentioned.

3641. Are not those claims referred to the bankrupt Hong?—Invariably; of course they must have the acquiescence of the bankrupt merchant to know whether they are just claims. They are collected, generally speaking, by some individual agent, or some leading man in Canton, of one of the principal houses of agency; they send in a list of the whole, and refer it to the bankrupt Hong merchant, and if he acquiesces in their justice they are passed over to the head merchant to adopt those means for liquidation.

3642. During the two years you were chief, how many Hong merchants actually failed?—There were two merchants failed during that time, Manhoh and Chunqua.

3643. Are you aware of the amount of debt to foreigners for which each failed?—I cannot speak positively; but I believe that Manhoh, whose failure was very considerable, in 1828 failed for about 1,500,000 dollars, due to Europeans and duties to government.

3644. Were the Hong merchants themselves desirous that this change should be made from the old system?—I was not in communication with the Hong merchants during the time the change was proposed, I am not therefore aware whether they were desirous or not; but I should think it is a thing so decidedly for their advantage that they of course would acquiesce in it.

3645. Are you aware how it originated that the Hong merchants became answerable for each other?—I cannot speak positively as to that.

3646. Are you aware that it originated in an application of the Europeans when they first began to trade to China?—No, I am not.

3647. You are not aware that the Europeans had great difficulty in collecting their debts from the Hong merchants, and that the Chinese government themselves took into consideration what was the best mode of securing the Europeans against such losses, and that the Chinese government did it as an advantage to the Europeans?—Yes; I have always understood it in that point of view.

3648. Is it not to gain the monopoly of the European trade that they bind

bind themselves to certain provisions, one of which is, that they shall be answerable for each others debts?—I believe that to be the case.

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3649. Do not their transactions differ very much in point of magnitude?—They do.

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3650. When you say that the Hong merchants are responsible for each others debts, you do not mean individually but as a body?—No, not individually, but as a body.

3651. Do you think the Hong merchants are liable to the charge of want of faith generally?—I should say not, from my acquaintance with them, they are generally considered very liberal merchants; so little is there of want of faith, that there is often no agreement made between them, except verbally.

3652. Do they observe the same good faith towards foreigners generally, or do your observations apply only to the Company?—I speak of foreigners generally.

3653. Have you any statement of the debts of the Hong merchants which have been paid in the way you mention?—I have a statement of the payments made by the Hong merchants to the European creditors of the bankrupt Hong of Exchin, Conseequa, and Poonequa, in January 1828; I have also a statement of the payment made by the Hong merchants to the European creditors of the bankrupt Hong of Conseequa, Exchin, Poonequa, and Manhop, together with the government duties of the latter merchant in 1829.

The witness delivered in the same, which was read, and is as follows :

PAYMENT made by the Hong Merchants to the European Creditors of the Bankrupt Hong of Exchin, Conseequa, and Poonequa, in January 1828.

| MERCHANTS. | EXCHIN'S 2d Instalment. | CONSEEUQA'S 4th Instalment. | POONEQUA'S 1st Instalment. | TOTAL. |
|-----------------|----------------------------|--------------------------------|-------------------------------|---------------|
| | Dollars. dec. | Dollars. dec. | Dollars. dec. | Dollars. dec. |
| Howqua | 15,782.960 | 3,970.330 | 4,565.547 | 24,318.837 |
| Mowqua | 19,413.470 | 4,883.620 | 5,615.749 | 29,912.839 |
| Chunqua | 19,539.240 | 4,915.260 | 5,652.129 | 30,106.629 |
| Puankhequa.. .. | 12,684.860 | 3,190.980 | 3,669.357 | 19,545.197 |
| Manhop | 26,968.150 | 6,784.630 | 7,801.095 | 41,553.875 |
| Goqua | 8,993 | 2,252.200 | 2,589.840 | 13,835.040 |
| Kinqua | 28,068.470 | 7,060.850 | 8,119.383 | 43,248.703 |
| Fatqua | 4,614.960 | 1,160.930 | 1,334.975 | 7,110.865 |
| Total | 136,065.110 | 34,218.800 | 39,348.075 | 209,631.985 |

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PAYMENT made by the Hong Merchants to the European Creditors of the Bankrupt Hong of Conseequa, Exchin, Poonequa, and Manhop; together with the Government Duties of the latter Merchant in January 1829.

| MERCHANTS. | CONSEQUA'S last Instalment. | EXCHIN'S 3d Instalment. | POONEQUA'S 2d Instalment. | MANHOP'S Gov. Duties. | MANHOP'S 1st Instalment. | TOTAL. |
|---------------|--------------------------------|----------------------------|------------------------------|--------------------------|-----------------------------|---------------|
| | Dollars. dec. | Dollars. dec. | Dollars. dec. | Dollars. dec. | Dollars. dec. | Dollars. dec. |
| Howqua .. | 5,019.98 | 19,701.37 | 7,461.85 | 1,804.32 | 27,520.30 | 61,507.82 |
| Mowqua .. | 4,536.59 | 17,804.28 | 6,743.33 | 1,630.57 | 24,870.30 | 55,585.07 |
| Chunqua .. | 3,999.56 | 15,696.64 | 5,945.07 | 1,437.55 | 21,926.20 | 49,005.02 |
| Puankhequa .. | 3,893.60 | 15,280.79 | 5,787.76 | 1,399.45 | 21,345.31 | 47,706.91 |
| Goqua .. | 2,460.66 | 9,657.08 | 3,657.60 | 884.43 | 13,489.71 | 30,149.48 |
| Kinqua. . | 12,324.79 | 48,369.76 | 18,319.94 | 4,429.86 | 67,566.36 | 151,010.71 |
| Fatqua .. | 1,983.07 | 7,782.73 | 2,947.69 | 712.77 | 10,871.49 | 24,297.75 |
| Total .. | 34,218.25 | 134,292.65 | 50,863.24 | 12,298.95 | 187,589.67 | 419,262.76 |

The payments made by the Hong merchants on account of their bankrupt brethren, in these two years, 1828 and 1829, amounts to 668,894 dollars, 745 dec. and I have been given to understand they had paid in a similar account in four previous years, about 1,200,000 dollars.

To the debts now in progress of liquidation, the claims of Europeans on Chunqua's Hong must be added; they amount, with interest up to 31st December 1830, to 861,551 dollars, and an arrangement has, I understand, been effected in February last, for the payment to the creditors of 50 per cent. of their claims in the month of July 1831; and the balance is to be paid off in three annual instalments.

3654. What was the arrangement made with the Americans in 1828, with respect to the trading through Hong or security-merchants, with any Chinese whom they may deem worthy of their confidence?—There was a trade conducted by a set of men who were called outside merchants, who are nothing more or less than shopmen, generally speaking, and the Americans generally confined their transactions to those men. The strict monopoly of the trade, as by law established in China, is confined to the Hong merchants. The Hong merchants, perceiving that those outside shopmen were carrying on a large trade illegally with the Americans and others, were advised by some Americans themselves even to put an end to that system, by claiming their privilege of having the monopoly. They came to the committee and urged that we should put something binding upon them to adhere to some determination on their part to put an end to that system, for they had pledged themselves one to another ineffectually for a long series of years, and they had as frequently broken faith with each other; the only check that they thought would bind them to each other was a threat from the Company, that if any of them deviated from this system, they would withdraw a portion of their trade from them. The East India Company's representatives objected to interfere at all in the business for a long time; but they were so earnest in

in the subject, that they came in a body to the committee and stated their case, and signed their names and seals to a document, promising that they would request to be deprived of a portion of their business provided they broke faith with each other. By those means the monopoly of the Hong merchants, it was supposed, was secured to them, but when it came to the practice they did break faith again; the Americans having made a great stir about the business, they appealed to the Chinese government, and the Chinese government entered into a long discussion with them on the subject, and the end of it was, that the outside men were allowed to trade in certain articles, not the staple articles of trade, but the minor articles of commerce. I think there are about sixty or seventy in number of petty articles; but all the principal articles were still confined to the Hong merchants.

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3655. Will you state what the other propositions were that were made by the select committee to the hoppo upon the occasion you have referred to, and what was the result with respect to them?—The third was, “The old Hong mandarin merchants, from the day that the new regulations are officially proclaimed, must not pay the debts of other Hongs; but on that day they must pay off entirely what they owe, or if not, they must that day be required to make known to all men the amount of their debts;” that is merged in the former proposition which was acceded to. The fourth proposition is, “The debts of the Hongs which have already failed, and are not yet paid off, must be paid by a per-centage on all the export and import trade annually passing through all the Hongs; a small per-centage from the whole amount will be sufficient. Both the new and the old Hongs must all equally pay according to the same regulation, for if not, the old Hongs will not be able to stand long; further, the old debts must still be paid according to the times already fixed. With respect to duties, since the foreign merchants have repeatedly waited long for the payment of Hong merchants’ debts, it seems reasonable that government should extend the period of payment. In a few years the per-centage will be sufficient to pay all off, after which it will cease; for henceforward, if the new regulations are adopted, there will never be occasion for the aid of the per-centage. The import duties must be daily levied and paid within five days, the same as in the case of exports; thus there will appear no responsibility for duties; being paid daily, there will never be a day’s failure, and the advantage of duties being daily paid sooner and more certainly will be ensured.” That is a point that was acceded to. Prior to that proposition, the duties on the import cargo were not demanded for several months after a ship arrived; it depended very much upon the period of their arrival, but the season of collecting the duties was, I believe, the month of October; and sometimes it might be nine or ten months, or even more.

3656. Was not that for the advantage of the importer?—One would suppose so; but it had the bad effect upon the merchants that were poor, and had little capital, of inducing them to speculate upon the certainty of not being

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being called upon for their duties; they frequently bought large cargoes, and it often added to their embarrassments.

3657. Did the rule, with respect to the import duties, apply to all foreigners trading to China?—Yes.

3658. Did the request of the English Factory also include all foreigners?—Certainly.

3659. Was it understood to be the general wish of the trade at Canton?—When these discussions commenced, the principal foreigners in Canton handed in a paper containing the same propositions to the viceroy, the English agents and the Dutch consulate, the Spanish merchants and the French consulate; they all concurred in a wish to ameliorate the trade.

3660. Did the Americans concur also?—I do not think they interfered in the business at all; the English agents, the Dutch consulate, and all other foreigners, except the Company, also carried on their trade whilst they were negotiating.

3661. Did any of the parties that you would consider free traders at Canton agree in this proposition?—All English agents; I do not believe there was a single exception; they all signed the letter.

3662. You speak of the agency houses that were carrying on the trade between India and China?—Exactly.

3663. What degree of compliance with that request (the alteration in payment of duties) has been made with the Chinese government?—The Chinese government allowed the payment of the duty as was suggested, but with this addition, that rather than require it to be paid in five days, they gave them three weeks. The answer is expressed here in the viceroy's reply.

3664. Will you state the other propositions, and what success attended them?—The sixth proposition is, "It will be necessary to allow foreign merchants to hire warehouses, and have them under their own management, that they may preserve the goods deposited in them; for according to the new regulations suggested since, there will be no security-merchants, and the new merchants may sometimes be without capital: this regulation is indispensable." That proposition was refused most decidedly; it was considered inadmissible by the Chinese government. The seventh proposition was, "None of the Hong's for foreign trade shall be required to become security for foreign ships, if the regulations above suggested be made law, since the duties will be daily paid, no occasion will exist on that account for the responsibility of security-merchants; and as to other affairs, since the security-merchants really cannot control the actions of foreigners, the law requiring security-merchants only assists the hoppo's office to make pretexts and extort money, so that both natives and foreigners are vexatiously hindered and distressed by minute interference." This attempt to abolish security-merchants was striking a blow at one of the principal commercial laws of the Chinese empire, and of course it was not admitted for a moment, because they

they do not allow any ship to come there that shall not be secured by a Hong merchant.

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3665. Do you think, under the existing system of trade in China, the abolition of the Hong merchants would be advantageous?—I should say not, unless the whole system upon which trade is conducted in China could be improved and remodelled.

W. H. C. Peden,
Esq.

3666. Is it not very difficult at times for ships to obtain security, even under the present circumstances?—It is sometimes exceedingly difficult; all the Hong merchants of respectability decline becoming security for ships, because it involves them in the probability of trouble.

3667. Suppose 50 or 60 small ships went to China, how would they find security?—I suppose they would find security, for until they did they could not trade. There is one merchant of the name of Kinqua, who secures to a very large extent; he takes the risk upon himself, and receives 800 or 1,000 dollars for every ship.

3668. Is not that an unusual fee?—No; it is the custom, since the opium was expelled from Whampoa, for all ships except those of the East-India Company, before even a pilot is granted to them, and as soon as they are reported to have arrived, to sign a bond expressing that they have no opium on board, and that bond is obliged to be signed by three security-merchants, who make an asseveration that they believe in the truth of it; the ship is then allowed to come up to Whampoa, she there remains till her cargo is sold, and frequently many weeks, without a security-merchant.

3669. What liabilities does the Hong merchant, who secures a ship, take upon himself?—He is responsible for the good conduct of the commander and officers of the ship, and that she shall not be engaged in smuggling transactions, and all other concerns of a similar nature.

3670. Supposing the ship offends against the law, what are the modes of recourse which the government in China have against the individual who gave the security?—They immediately extort from him large sums of money, till they are satisfied. In the event of any smuggling transaction, or other irregularity, the ship is delayed, a port clearance is refused, and all communication is stopped till the fine is paid, which is generally an arbitrary and most unjust exaction.

3671. Have you known any instances in which ships have been absolutely unable to find security?—I have known many cases in which they have been obliged to adopt the only course which was open to them, of going to one of the poorer merchants and paying him a sum of money for becoming their security-merchant.

3672. Do you know any instance of a ship absolutely failing to obtain the security?—No.

3673. How do they do with the opium ships?—They are outside the port, at Lintin, out of the control of the government altogether.

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W.H.C. Plowden,
Esq.

3674. Do you think the opium ships ever come up?—Not now; they did until the year 1820, when they were expelled.

3675. Has there been found a greater difficulty lately in obtaining those security-merchants than there was previously?—I think I should say yes.

3676. Since what period?—Within the last six or eight years there has been greater difficulty.

3677. It has been stated by some American gentlemen, who were examined last year, that they never found any difficulty; should you think the Americans have less difficulty than the English?—I do not think the Americans possess more or so much influence as the English there. The American trade is a good deal conducted outside the port; they frequently do not go up to Whampoa; the American ships frequently come to Lintin, and smuggle up their cargo from thence.

3678. Will you state what the other propositions were that were made by the select committee?—The eighth proposition was, that “For the entrance of foreign ships into the port, the charges at present exacted by all sorts of offices must be diminished, after which those remaining to be paid should be in proportion to the size of the ship, small ships doubtless paying less than large ones; and the money to be levied should be paid on board ship by the captain to the proper officer, who shall immediately give a receipt to the captain.”

3679. Will you state the result with respect to the several parts of that proposition?—The first is, “For the entrance of foreign ships into the port, the charges at present exacted by all sorts of offices must be diminished.” That I do not think alludes to the port dues, but to the extortions of the mandarins. The viceroy gave us an assurance that that should be attended to, and he would prevent all exactions; and the hoppo, in his letter to the committee of the 6th January, 1830, confirmed it. I do not know if, since the resumption of the trade, this has been attended to; but I should suppose these mandarins would act up to their promise: “after which, those remaining to be paid should be in proportion to the size of the ship.” I suppose that alludes to the measurement, and that has been diminished. The only part of that proposition refused, is, that the captain should not pay the duties to the officers of government; the Chinese government determined that they should be paid as usual by the security-merchant.

3680. Has the reduction been in proportion to the measurement of the ships?—It has; but that does not appear to have affected the large Company's ships materially, some of the smaller ships are relieved from the burden to the same degree, but not very considerably, I believe.

3681. Of course all these concessions are general to all foreigners?—They are.

3682. Has

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W. H. C. Flowerden,
Esq.

3682. Has not the Chinese government published an edict to that effect?—I believe they have, but it is since my departure.

3683. Has any concession been made upon the amount of the duties?—The amount was mentioned, but it had reference to the “Enter-port dues,” and the “Present,” which have been reduced as the viceroy recommended, according to the size of the ships; but it is since my departure from China.

3684. What is meant by the “Present?”—We understood, till the thing was referred to the viceroy, that the “Present” (a sum amounting to 1,950 tales) invariably went into the hands of the Chinese officers of government, but the viceroy has assured us, that it is an item of revenue, and that it is impossible to alter it without reference to Peking (he has referred to Peking), and I believe that it has undergone a diminution also.

3685. Is that what is called the Cumshaw?—It is.

3686. Are you aware that the English inhabitants of Canton presented a petition to Parliament upon the subject of the China trade?—I have seen a copy of the petition.

3687. Are you aware that the petitioners complain of the same grievances, for the removal of which the English Factory applied?—Yes; it appears to be, in a great measure, an echo of the propositions of the committee in the year before; at least it breathes the same spirit.

3688. Then, in whatever degree the concessions have taken place that you have stated, the prayer of the petitioners has been answered?—I should consider so myself.

3689. You are aware that particular subjects of complaint in the petition are the monopoly of the Hong merchants, and the oppressions by the government, which reduced them to great distress; also the want of permission of foreigners to rent warehouses, and the extortions of the compradores and other officers of government, and the amount of the duties charged not being fixed. Are not those the commercial disabilities of which that petition complains?—Yes.

3690. In addition to those commercial disabilities the petitioners complain of pointed insults and contumely on the part of the Chinese, do you think they are justified in the strength with which they make that representation?—There is no doubt that the situation of foreigners in China is very humiliating, and very unpleasant in general; but I think that the petitioners have rather exaggerated the matter in their statement.

3691. In what respect do you consider the treatment humiliating?—They are confined to very narrow limits; you cannot walk out in the streets without being subject to insult and abuse.

3692. What kind of insult?—Being pointed at and hooted at, and in various unpleasant ways that it is impossible to describe; and in many ways you are subject to a vast number of inconveniences and annoyances.

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Esq.

3693. Are they personally attacked?—If you go beyond the prescribed limits, or wander beyond the suburbs of Canton, it is with the danger of severe annoyance, and even beating.

3694. Is not the language of the Chinese edicts occasionally very insulting and offensive?—Certainly, very decidedly so.

3695. Are not those limits and rules which you are not to exceed perfectly understood at the Factory, and are they not the same now that they have always been?—They are perfectly understood, and they are the same that they have ever been.

3696. When Europeans do not exceed those limits, or go contrary to the rules and orders of the country, are they often insulted?—Never that I know, so long as they conform to the usages and habits of the country.

3697. Do you think the petitioners are borne out in this assertion, “they entertain a firm belief that much may be obtained from the fears, but that nothing will ever be conceded from the good will of the Chinese government?”—I should say not altogether. I consider the Chinese to be a highly intelligent people; their fears may possibly be sometimes acted upon, but I do not think they are a people that would submit to coercion from foreigners; and I think this has been satisfactorily proved by the official assertions that are stated in the extract of the letter of the viceroy to the Emperor, and his reply, wherein he directly implies they are not to be coerced by the threats of foreigners.

3698. About what is the extent of the limits to which Europeans are confined at Canton?—It is hardly possible to say the district; it is merely the streets and suburbs of the city, which are very considerable: you cannot go far beyond the Factory without being subject to abuse.

3699. Are not Europeans frequently taken up to country houses by the Hong merchants, at some distance from Canton?—They are sometimes taken to the houses of the merchants in the neighbourhood of Canton, in the society or under the protection of the Chinese Hong merchants.

3700. Do you think the Chinese are at all softened in their feelings towards foreigners?—No; I think there still exists a natural feeling of jealousy towards foreigners; I am not aware of any change.

3701. Have you, in visiting the religious houses in the suburbs and across the river, experienced any insults?—I have seldom exposed myself to them; but when I have gone to the temple across the river, I have generally been accompanied by a Chinese interpreter, who is acquainted with the priest at the joss-house; and since Lord Amherst's embassy (who lodged at that very temple) the priest is particularly civil to the English, and is always glad to see them.

3702. If you went to China merely for the purpose of trade, would there be any interference either by the people themselves or by the government?—

I should

I should imagine none, except those that are by law established ; such as their being obliged to conform to the security system, and so on.

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IV H.C. Bowden,
Esq.

3703. Are you acquainted with several of the petitioners whose names are annexed to this petition?—I know many of them.

3704. Are they in general respectable?—I should say so, generally.

3705. Should you say that the English in general, in Canton and Macao, conform to the laws and regulations of the Chinese?—I should say so in general; there are very few instances, I believe, to the contrary.

3706. Do you think, in general, the English are more disposed to infringe upon the regulations of the Chinese than other foreigners?—I should say not; the allusion to the English in Governor Le's statement to the Emperor refers to three particular and very important events in which we were involved with the Chinese government, which gave them great annoyance: one of which was, the expedition to Macao under Admiral Drury; another was, the suspension of commerce in 1814, when there was a desire on the part of the committee to remove a number of grievances; and the third was, the discussion respecting the *Topaze* frigate: and they involved us in those particular troubles with the Chinese that are referred to in that paper.

3707. Are not the English more prone to interfere with the Chinese, looking upon them as they look upon the natives of India, as persons that they have a right to domineer over?—I should not say so, speaking of them generally.

3708. Have not the English naval officers generally disregarded the forms and orders of the Chinese government, and thereby led to that irritation?—There have been one or two instances where they have done so, but not generally speaking.

3709. Are not those the instances to which allusion is made in that paper?—I conceive the allusion in that paper, as regards his Majesty's officers, to be confined to Admiral Drury's expedition in 1808, and the discussion about the *Topaze* frigate in 1821; but there are other occasions. Captain O'Brien, during the American war in 1812 or 1813, entered the river, and cut out an American vessel; though that is not alluded to here, it may have been in their mind, and it did great injury to the English interests.

3710. Is it your opinion that more is to be obtained from the Chinese from fear than from civil or courteous conduct?—I should say more might be obtained from civil, firm, and decided conduct, than from endeavouring to intimidate them; I think there is a point beyond which they will not go.

3711. You are aware of the suggestions which these petitioners offer for the improvement of their condition?—I am.

3712. Is not one of them a forcible interference?—That seems to be implied.

3713. What

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W. H. C. P. (London,
Esq.)

3713. What do you think would be the effect of attempting by force to obtain a relaxation of their commercial regulations?—I have no doubt that if an attempt by force were properly conducted and followed up by the government, it might succeed.

3714. What do you mean by properly followed up?—That any attempt to employ force should be well considered, and carried through with firmness and decision.

3715. Do you mean by the employment of troops?—I should suppose so.

3716. They suggest, also, the residence of a British representative at Peking, do you think, from your knowledge of China, it would be possible to obtain that?—I should think, judging from the result of the last embassies to China, that such a privilege would be obtained with very great difficulty, I should almost think it would be impossible.

3717. Are there any circumstances that have occurred since the last embassy that make you suppose that it is in any respect easier than it was at that time to obtain such a representative?—None.

3718. Is there any suggestion which it occurs to you might be adopted for the improvement of the British commerce in that country?—I should think anything that would improve the trade there, would be better done by means of representation and strong remonstrance properly followed up, than by actual force. A representation to government might have effect.

3719. Do you think any reasonable proposition for the improvement of commerce from the British authorities in this country would be likely to produce effect without the employment of force?—I should very much question whether it would.

3720. These petitioners suggest further, the occupation of some island on the Chinese coast; how does that proposition appear to you?—There is no doubt that if the British Government were to take possession of an island on the Chinese coast, it might create the hostility of the Chinese against us, provided it was sufficiently near, and if they were to do it so as to establish themselves, there is no doubt that they might maintain a trade there.

3721. Would it, in your opinion, be the means of forcing any concessions to the trade of Canton?—I should think not.

3722. Do you consider that it would not be an advantageous mode with the view of trading to parts to the north of Canton?—I should conceive it might be so, but I am at a loss to understand the design of the petitioners in wishing to have an island.

3723. Is not a great portion of the Chinese foreign trade a smuggling trade?—I believe there is a very considerable part of it, the whole of the opium trade undoubtedly.

3724. Supposing there was an emporium established in some of those seas,
and

and that English ships resorted to it to a large extent, and were permitted to trade in Chinese articles, including tea, do not you conceive that a very considerable trade would be carried on through the medium of that emporium?—I question whether Chinese vessels would find their way to any island such as what has been suggested; the island, I believe, lies a little to the eastward of Japan.

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3725. Do not a great many Chinese junks now find their way to Singapore?—They do.

3726. Supposing they were permitted to bring tea, and the tea were to be exported from Singapore to England in British bottoms, do not you conceive that that trade might be very considerably increased?—No, I do not think it could.

3727. Are you aware that the provinces where the tea is grown, are some of them, and the most important of them, maritime provinces?—They are on the north-eastern coast of China.

3728. And considerably to the north of Canton?—Yes.

3729. Why do you suppose that the Chinese junks would not find their way to the island which has been referred to?—I think if the Chinese heard that we had taken possession of an island in their vicinity, they would be very jealous, and endeavour to impose restrictions to prevent their junks from going there. The export of teas coastways in Chinese junks for the foreign trade at Canton is strictly prohibited.

3730. Since there has been a greater cultivation of Chinese literature amongst the English, do you think the Chinese authorities are in any measure more conciliated towards us?—I should rather say that they were from that circumstance.

3731. Have you observed any feeling on the part of any individuals among the Chinese authorities favourable to the relaxation of the commercial regulations?—No; on the contrary, in my communications with the Chinese, they have always deprecated any sort of change in the present system; they are aware that it is possible that the present system may not continue, and in conversing upon it they have always expressed a wish that it might continue as it is.

3732. You are alluding to the English monopoly?—Yes.

3733. Have you had any opportunity of observing that there was any relaxation in the opinions of Chinese individuals of authority, with regard to the commercial restrictions in general in China?—I should say there was none.

3734. Do you allude to the Hong merchants, or to the outside merchants?—I allude principally to the Hong merchants; we are thrown very little into collision with the outside merchants.

3735. Have

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Esq.

3735. Have you ever had any conversation with any more respectable outside merchants?—Not upon that subject.

3736. Do the English ever associate with any but merchants?—There are very few others; there have been some connections of the merchants who are stated to be mandarins, but not holding office at Canton, who were glad occasionally to see you at their houses.

3737. Have you ever had any conversation with any of those mandarins residing there?—No; those sort of men do not enter into conversation upon commercial subjects generally, it is only merchants.

3738. Do not all strangers of considerable rank, who come to Canton, make a point of visiting the Factory?—Almost invariably; they come frequently.

3739. Have not several relaxations been effected upon the subject of the port dues?—They have.

3740. In what way do you think that was brought about?—It was brought about by those representations from the committee, and a promise on the part of the viceroy to represent them at Peking, which he did, and the Emperor in his answer attended to them.

3741. Do you think the viceroy was induced to make those representations from any fear of an interruption of the trade?—No; I should say it was from a view that the demand was reasonable.

3742. Did he show any disposition to make those relaxations till a strong memorial was presented to him?—In the early part of the negotiation, before those propositions were submitted to him, he pointed out to us that the “present” was an item of revenue, and that it was not in his power to reduce it, but that he would represent it at Peking.

3743. Did he make that representation to the Factory previous to any representation having been made by the Factory to him?—Certainly not.

3744. Then the relaxations which have taken place resulted from communications made by the Factory?—Yes.

3745. Were those representations connected at the time with an interruption to the trade, or any threat of an interruption to the trade?—The Company’s trade was totally suspended while those demands were made.

3746. Was not the trade interrupted on account of the demands?—The trade was stopped by the committee, with a determination to carry those points, and they determined not to trade till they were conceded.

3747. How long did that interruption of the trade continue before the Chinese authorities made those concessions?—It was necessary to refer to Peking before the concessions could be made, the viceroy having assured us that it was out of his power to do it without reference to the Emperor; but there was every disposition on the part of the viceroy and the officers of government to listen to our proper representations.

3748. How

3748. How long was it after the first interruption of the trade that the relaxations were carried into effect?—About five months; the Company's trade was suspended from August 1829 to February 1830. I believe the decisions from Pekin were received subsequent to my departure from China, which was the end of January.

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3749. Have you any means of knowing whether a considerable delay occurred on the part of the viceroy at Canton, in transmitting a memorial to Pekin?—The general impression was, that after he had made those concessions on the 16th of November 1829, he received a letter of that date from the committee, drawn up in such injudicious and intemperate language, that he was so exasperated as to determine, with the advice of the mandarins of the province, to draw up the report which he forwarded on the 28th of November to Pekin.

3750. How long was it after the first memorial, and the interruption to the trade, that the viceroy of Canton transmitted a memorial to the government at Pekin?—I should suppose it was about six weeks after our first memorial of importance in October, but about three months after the Company's trade was suspended.

3751. Did you observe that the Burmese war produced any effect upon the feelings of the Chinese towards the English?—Not exactly: they were perfectly aware of the war and of its consequences.

3752. Does it strike you that any opening towards an attempt to produce a relaxation of our commercial intercourse with China presents itself to us, except by means of force?—I am not aware of any other means that would produce such an effectual change in the system as that required by the petitioners.

3753. With reference to that petition from Canton, signed by forty-seven individuals, are not the principal part of those agents who have come from India to Canton to conduct the concerns of the ships trading there?—As far as I am acquainted with their names, I consider that many of them are not agents, many of them captains of country ships, some of them Parsee agents, who came as passengers in those country ships; there is a Mr. Mackwick, who was formerly steward in the Factory; his brother is another; there are several others whom I know very little of, who, I suspect, were casual visitors. There are some individuals who have not signed this petition who are highly respectable; there is Mr. Dent, whose house of business is one of the largest and most extensive in Canton. Mr. Jerdaine's house, which is however equally respectable, and all the parties connected with him, have signed it.

3754. Who is the first upon the list, Thomas Beale?—Mr. Thomas Beale is an old agent, who was formerly a partner in Beale and Magniac's house, but from misfortunes he became a bankrupt; he resides at Macao.

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3756. What would be the consequence, in your opinion, of force being attempted to be used in China?—I should think that hostilities would immediately be the consequence on both sides; and I should think the result would be, judging from the military prowess of this country, that we should overcome them.

3757. What would be the consequence in the mean time?—An entire suspension of all commercial intercourse, and hostilities.

3758. Are the Chinese an athletic people?—I should say very much so; they decidedly have an advantage over all other Asiatics that I have seen in that respect.

3759. If they were trained to military operations, is it your opinion that they might make good soldiers?—Certainly.

3760. Supposing an army of 20,000 British troops, adequately equipped, were to attempt an expedition to Peking, do you think they would succeed?—I am hardly prepared to say whether they would or no.

3761. You have said that you dissented from the conduct of your colleagues, the members of the select committee, upon the occasion of their making the representation which has been mentioned to the Chinese government; what was your reason for so dissenting from them?—I had no other reasons than what appear upon the face of the dissent, and which also appear very fully stated in the letter I addressed to the chairman of the East-India Company, 28th January 1830; reasons are there stated for my differing entirely from the conduct of my colleagues upon this occasion.

3762. What induced the committee to relax so much in their previous requisitions as they did in their subsequent letter, of the 25th January 1830?—I am at a loss to conceive, for the contrast is very remarkable in those letters; whether it was, that in the interim they had heard of my intention of coming home, and as the responsibility would be transferred to themselves, that they endeavoured to acquiesce in those propositions that I had been in vain endeavouring to persuade them to fall into, I cannot tell; or whether it was that they considered it useless to contend any longer against the decisions of the Chinese government; no further concessions were gained in February that were not obtained in the November previous.

3763. Was it generally known at Canton by the Chinese authorities that you differed in opinion from them?—It was not known officially; but there can be no doubt that it was generally known from the proceedings of the committee themselves; it was very universally known, there is no doubt: indeed the viceroy, in a subsequent edict, acquits me by name of any participation in the business; the edict is dated 30th November 1830, and the following are the viceroy's own words: " In the dunning petitions which were frequently presented, although the chief Plowden's name was joined with

with the others, yet I, the governor, having instituted a minute enquiry, have heard that the affair was caused by Baynes, Millett, and others, irregularly putting forth their own decisions, and forming plans of perverse craftiness, so that all the ships remained long anchored outside, much of the cargo became mouldy and rotten, and the merchants were all injured thereby.”

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*W.H.C. Plowden,
Esq.*

3764. Do you conceive that the present system under which the foreign trade is conducted at Canton is an arbitrary system, left to the discretion of the local government ; or that it is in the main grounded on the orders and instructions of the court of Peking ?—I should think, in the main, grounded upon the orders and instructions of the court of Peking.

3765. Do you conceive that the privilege of open access to the tribunals of the country, if merely carried to the extent of placing foreigners exactly upon the same footing as natives, would be attended with any practical advantage to Europeans, considering the difference between their habits and usages and those of the Chinese ?—I should say, decidedly not ; I do not see any advantage that can result from such access.

3766. Do you understand that the Portuguese of Macao, at any period of their establishment there, maintained an absolute independence of the Chinese empire ; and that their present decline arises from their abandonment of that line of policy, or from other causes ?—Their present decline, I believe, arises entirely from commercial causes ; but I have understood, that so far from being independent of the Imperial government, they actually pay annually a tribute for the possession of that place.

3767. It has been stated that Admiral Drury, for his forbearance, was despised and treated with indignity by the Chinese authorities ; do you consider the indignities he experienced to have been the consequence of his forbearance, or of some previous steps of aggression or hostility, from which it was absolutely necessary for him to recede in order to obtain the restoration of the trade ?—I should conceive from the latter cause ; from some steps of aggression. There never was an expedition more badly conducted, I believe, than that one of Admiral Drury.

3768. Were the arrangements entered into by the Chinese government with the pirates on the coast exclusively the result of the fears of the government, or was it not a measure of successful policy, which terminated in the final suppression of those pirates ?—I should say that both causes operated in that particular case.

3769. Do you not conceive that an appeal to precedent, and to those general principles of reason acknowledged in other civilized countries, will always have its weight with the Chinese government, and that a firm and consistent line of policy conformably therewith is the best mode of dealing with the Chinese ?—Certainly, I consider that to be the true system, and I

16 Aug. 1831. am of opinion that a firm and consistent line of policy will always have its weight.

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Esq.

3770. Are you aware of the existence of any island or other spot upon the coast of China, the acquisition of which would be likely to be advantageous to our commerce, without at the same time incurring the risk of involving us in hostilities with the Chinese government?—I am not; and I do not think any such position could be acquired without the risk of involving us in hostilities with the Chinese.

3771. You have stated that the system of the foreign trade at Canton is grounded upon the orders and instructions of the court at Peking; are the orders and instructions from Peking arbitrary and uncertain, or do they proceed upon any system?—The system upon which the commerce is conducted in China is very well known; it is that of responsibility and security, which I believe emanates originally from Peking.

3772. Is it liable to frequent changes?—Decidedly not.

3773. Are you of opinion that a direct appeal to the fears of the Chinese, with a view to induce them to abandon their present system in respect to foreign trade, would be a good line of policy?—I should say, decidedly not.

3774. Would it not be preferable to confine such appeals to cases of direct insult and aggression, which in no country could be submitted to, such as the direct violation of the security of persons or property?—Certainly; I think in those cases it may be proper to have recourse to force.

3775. Is there any reasonable ground for supposing that an individual delivered into the hands of the officers of the Chinese government on a charge of homicide, would have a fair trial; that is to say, that the fact of his identity, and the degree and nature of his guilt, would be fairly investigated?—I should say he would have no chance of a fair trial under the Chinese jurisdiction.

3776. What are your reasons for thinking so?—A strong reason in my mind is that which occurred to an American, in the year 1821; on which occasion, an American was given over to their tribunal, and he suffered death, without even the possibility of one European being present to see that he was fairly tried.

3777. Is not the surrender of any individual upon the charge of homicide considered by the Chinese equivalent to an acknowledgment of his guilt?—It certainly was in that case; and I believe it is in most cases.

3778. Was any application made at that time by the British Factory, or other Europeans, to be present at that trial, or to know what took place?—As it concerned an American, the English did not interfere in it at all; and the Americans, I believe took very little pains to be present at the time. The consul, who was an excellent man, was so disgusted with the proceedings, and want of unanimity among his countrymen, that he threw up his powers, and would no longer act as consul.

3779. Do

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3779. Do you mean that the British Factory did not interfere because the man was an American?—I believe they were both ready and willing to have done so; but the thing was conducted in so much haste after the unfortunate man was delivered to the Chinese, that they had not time to interfere. The man was handed over to the Chinese under the promise that he should be fairly tried, and in one or two days, or less, he was tried, and desired to put the impression of his hand, coloured for the purpose (the way in which criminals acknowledge their guilt) upon his accusation, and upon that he was executed, I believe the following morning.

3780. Are you aware that nearly a similar case took place about half a century ago?—Yes. The Chinese have, however, a strong sense of retributive justice, as has been evinced lately in their executing in the wholesale way about seventeen Chinese criminals, for massacring some Frenchmen who were wrecked in the French brig "Navigation," upon the coast of Cochin-China; they brought them up from the coast of Cochin-China in a junk, and thinking that they possessed a large amount of property, they massacred them, but one man escaped and told his tale to the Portuguese authorities at Macao, who forthwith communicated it to the Canton government, and the vigilance of their police was so active, that they detained about forty Chinese passengers that had come in this junk to Canton; the governor of Canton immediately sent them down to be confronted with the Frenchman at Macao, and that led to a discovery where the junk was bound; the viceroy of the province (I believe Fokien) was immediately apprized of the fact, and first of all he treated it with a good deal of indifference, but when it came to the ears of the Emperor of China, he immediately ordered that there should be the strictest vigilance, and there was a cordon drawn round the city to which the junk was bound, so that no man could go in or out without examination, and by that means they discovered the murderers, or nearly the whole, and sent them down to Canton to be punished. They were there examined and tried before all foreigners of every description, who were invited by the viceroy to come and see them tried. The result was, that seventeen of them were executed, and all the Europeans that wished to be present attended the execution; sixteen were decapitated, and one of them, the principal, was, according to their language, cut into 10,000 pieces.

3781. Did those proceedings take place without any complaint on the part of Europeans?—The vigilance of the Chinese was so great, that before any complaint (except, indeed, the report of the Portuguese government) could be made, they were on the alert to apprehend them, and they speedily succeeded in apprehending the Chinese passengers that arrived in the junk.

3782. Did you or any members of the Factory attend the trial?—I believe almost every one of them; I did not go myself, thinking, as chief of the Factory, that I had better not, perhaps, be present upon that occasion.

3783. Were you able to ascertain what was the form of trial observed upon that

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that occasion, with reference to the proof of the offence committed?—The men were each brought down in a species of basket or cage, to the number of about thirty or forty, in baskets with hardly room to sit; a day was appointed, and the foreigners were all invited to be present at the trial. When the trial commenced these men were brought before the Frenchman who had escaped, and they were confronted with him, and those whom he pronounced to have been active in the massacre were immediately convicted, at least a mark was put upon them. There was one very singular circumstance happened upon the occasion, which was, that there was one of those unfortunate men who had befriended the Frenchman on board the junk, by telling him that such a thing was likely to take place, and had put him in the way of making his escape; this man when he came forward solicited the Europeans to intercede for him. Dr. Morrison and other people spoke to him, but as he was a Fokien man they did not understand his dialect; and when this man was brought up and confronted with the Frenchman, the Frenchman immediately recognized his friend and embraced him, and there was a sensation in the court of justice that was very striking, so much so, that the judge who was present was very much struck with it, and Dr. Morrison came forward on the part of all the European foreigners, to beg that his case might be favourably viewed, and in consequence it was favourably viewed, and he was pardoned; but the other men were executed in the way I have described. When this man went back to his province, to Fokien, the Europeans at Canton subscribed about 2,000 dollars for him; and when he got back to his own province, the viceroy of that province was so pleased with the consideration that had been shown him by the foreigners, that I have been informed that he himself gave him forty or fifty dollars, and protected him.

3784. From that statement is it your impression that the Chinese are desirous to do justice, whether as regards the murder of Europeans, or the murder of Chinese?—That is my impression, that they are desirous of doing justice. Perhaps upon this particular occasion, if they had not done justice, the Chinese government might fear that it would be held out against them, that we should not give up a man in the case of homicide against one of themselves.

3785. Is that the only trial of a Chinese for injuries done to, or the murder of Europeans, that has come to your knowledge?—That is the only one that has been so strictly investigated, to my knowledge; but there was a massacre of some Americans who arrived in a small vessel with opium at Macao, and those murderers were also detected and executed; but without, I believe, so formal a trial. The American vessel being small, and having a cargo of opium on board, a set of pirates were tempted to seize her, in which they succeeded, and massacred the Americans; the result was, a representation to Canton, and the viceroy employed his police in arresting those men, sent them down to Macao, where they were decapitated.

3786. From what you have stated of the reasonableness of the Chinese government,

government, is it your opinion that by negotiations any arrangement could be made by which offences done to Chinese, or by Chinese done to Europeans, could be conducted at Canton in some pre-arranged order, with a view of doing justice to both parties?—I believe it would be a most difficult arrangement to make, but I consider that such an arrangement might be made; and I have been told that all foreigners tributary to China, on the neighbouring frontiers of their own country, have an understanding that in all cases of homicide and death, the parties concerned shall be sent to their own country for trial, and therefore I should imagine that an arrangement of that sort might be made with Europeans.

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3787. Is it the fact that the Russian government maintain an agent at Pekin?—They have got an establishment there for the purpose of acquiring the language, in order to conduct the trade which is carried on at the frontiers; but I do not believe they have any political agent there.

3788. Are you aware whether any arrangement has been made by which that permission has been given to them which hitherto has been refused to Englishmen, or in what manner that has been effected?—I am not aware how that has been effected; it is generally supposed that it was for the mutual conduct of the trade.

3789. Are not the Russians excluded from the port of Canton?—They are.

3790. How long has that been the case?—I believe from time immemorial; having an inland trade on the northern frontier of the empire, the Chinese do not permit the Russians to trade by sea at the port of Canton.

3791. Does not the Chinese government in its edicts in cases of homicide, generally omit the name of the offender, and merely demand that the culprit should be delivered up to them; thus assuming that foreigners have a legal power of examining offenders, and of deciding upon their guilt or innocence?—That is the course they pursue generally; they sometimes, however, name the captain of the ship, if they can trace the offender to any ship.

3792. Are you aware that Captain Delkes obtained permission to be present at an examination of one of the sailors at a Chinese tribunal, and that the moment he attempted to interfere, he was expelled with some circumstances of indignity?—I have heard that stated to be the case.

3793. Are you aware in what way that gentleman had given offence by his interference?—No, I am not; it was before I was in China.

3794. Are you of opinion that a King's consul, unconnected with the trade, and having no greater power over it than consuls generally have, would be able to exert any considerable influence over the Chinese local government?—I consider that a King's consul would not be productive of the advantage contemplated by the petitioners; the Chinese, I am of opinion, would not regard the power of a King's consul alone, unless supported

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ported by some other influence. I consider that it is the great trade of the East India Company that gives this weight and influence in the eyes of the Chinese to the chief of the Factory ; the Chinese have on all occasions of disputes, when the officers of his Majesty's ships have been concerned, refused to acknowledge any authority but in the chief of the Factory, who was always considered by them the responsible party.

3795. Do you conceive that the English trading at Canton so exclusively regard the Company as their resource, that they would look forward with dread to the dissolution of the monopoly?—I believe that many of the English residents and agents in Canton would be very sorry to see the monopoly interfered with ; I have heard that stated by some of those who are most respectable.

3796. Are not the persons you refer to, persons carrying on the trade between India and China?—They are, to a very great extent.

3797. Do not you conceive that the result of a free trade between England and China, might be to throw a part of that trade between England and China into other hands than those which at the present moment carry it on?—I should say not.

3798. Do not you conceive that ships carrying out manufactures from England to India, might load with Indian produce in the Indian ports, carry that to Canton, and come back to England with a cargo of tea?—They might do so undoubtedly ; but I think the agents in India generally send their consignments to those they are acquainted with of long standing in China, or else they send their consignments by some of those very men who have signed this petition, Parsees and others. I do not imagine that any Englishman embarking in that trade would find it easy to wrest the trade from those parties.

3799. You are not aware that that is one of the views which the English merchants state with respect to opening the trade between England and China?—I am not aware of it.

3800. Is the trade with what are called outside merchants, suited to great and extensive transactions?—Decidedly not ; there is no confidence to be placed in these merchants, who are not licensed by the Chinese government ; and in the event of any debts being contracted, there would be little chance of their being repaid, unless the parties secured their money before quitting China.

3801. Is not the European trade, with the exception of occasional smuggling transactions in opium, practically confined to the port of Canton?—Decidedly so ; entirely.

3802. Is not the establishment of a Cohong, or any material reduction of the number of Hong merchants, a change in the system of trade at Canton which would prove injurious nearly in an equal degree to all parties concerned, whether the Company, the private trade of the English, or the Americans?

Americans?—I should say decidedly, that such a change would prove injurious. 16 Aug. 1831.

3803. Is not the prevention of this change mainly to be attributed to the exertions of the servants of the East India Company?—I should say so decidedly; it has been our endeavour always to prevent the establishment of a Cohong, and to promote the trade generally; and whatever advantages have been gained by the East India Company, have been enjoyed by all foreigners indiscriminately.

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3804. Have the Russians, whom you state to be at Peking, any political capacity?—I am hardly prepared to answer, from being ignorant of the subject; but I have always been given to understand that their situation is one purely of a commercial nature.

3805. Do you understand that the Russian missionaries have been dismissed from Peking?—I have not heard that.

3806. Are the Roman Catholic missionaries dismissed?—The Roman Catholic missionaries, I believe, are all dismissed, with the exception of one individual, who is a very infirm man, who is left there; two have been dismissed since 1820.

3807. Are there not missionaries from other parts of Europe, who are admitted into China?—There are missionaries from other parts of Europe that travel through the country, and are admitted clandestinely; three left Macao about six months before I left China: I heard from them from the interior of China; they were afraid to address their principal, who was the agent of the Propaganda Fide at Macao, and they addressed their letter to me, with an intreaty that I would forward their letter to this agent at Macao.

3808. Do you think the Chinese government are not aware of their entrance?—They went under disguise as Chinamen, and the Chinese government were not aware of it.

3809. If discovered, would they be seized and punished?—Most certainly; they would very probably lose their heads.

3810. Has not the establishment at Peking been broken up?—Yes; individuals are still enterprising enough to embark in that concern, but I believe very seldom with success.

3811. Do you believe that the Russian establishment possess any considerable weight at Peking?—I have never understood that they do.

3812. Do not you conceive that the circumstance of releasing the Hong merchants collectively from the responsibility of the debts of the individual Hongs is one of the most severe blows that could be given to the prosperity of the private trade?—I certainly consider it in that light, though I believe it was done with the best intention by the committee, as being a collateral cause of the embarrassments of the merchants.

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3813. Is there any other means to which an individual merchant can resort for the recovery of his claims at Canton?—In those very arrangements which have been made by the Chinese government, upon the proposition that the merchants should no longer be answerable for each others debts, they point out a way for the recovery of foreign claims at Canton. They say that, in all commercial transactions, at the close of your business you are to strike a balance; if a Chinese Hong merchant owes a foreigner money, and he refuses to pay it, and the foreigner is anxious to go away, the foreigner must, before he quits China, make a representation of his claim, &c. to the hoppo, a person (like all other mandarins) most difficult of access. In the event of that application being made to him, the claim of the foreigner, supposing the merchant fails, shall be considered just, and he shall be entitled to payment of his debt; but in default of doing this, the foreigner shall have no right to payment or even to appeal. There is therefore a way left in which Europeans can recover payment of debts, but not so advantageous, certainly, as that which has been resorted to for many years past, but now abrogated.

3814. Was not the former mode one which could be adopted by any single individual?—Yes; the way in which Chunqua's Hong failed was brought about by a single individual going and impeaching him to the viceroy for a debt of 80,000 dollars.

3815. You have stated that it would be a matter of great importance if an arrangement could be made between the Chinese government and ours for cases of homicide to be tried, do you mean that they should be tried upon the spot?—It is a very difficult question, but I have been given to understand that such arrangements have been made with the Cochin Chinese, and other people on the frontiers of China, for criminals under those circumstances being sent to their country, and being tried according to their laws.

3816. Are you not aware that all the witnesses must be sent to that country also?—Supposing an Englishman committed homicide, he would be sent home, and tried according to the laws of his country, and all the witnesses would, of course, be sent with him.

3817. Are not the British authorities at present practically under the necessity, in China, of screening the guilty, in order to protect the innocent, in cases of homicide?—I am afraid very much so; sometimes we are placed in a peculiar situation there.

3818. Is it not extremely desirable that some method should be found by which that embarrassing predicament could be avoided?—Certainly, it would be most desirable, but I consider it a most difficult thing to arrange.

3819. Are you aware that Dr. Morrison once entertained a plan to constitute a tribunal at Canton for the trial of such cases?—No, I am not aware that he contemplated such a plan.

3820. What number of homicides are committed upon an average of years

years at Canton?—Considering the vast influx of foreigners to that place, the cases are very rare; during my residence of twenty-five years there, I do not think there were above three or four.

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3821. When they do occur, do they not almost invariably occasion a suspension of the trade, and vast injury to the commerce of the port?—Most assuredly they do.

3822. Do they not occasion a suspension of commerce, in some instances, for many months?—Generally, that is the result.

3823. Do not you think that two of the new regulations which have been referred to, the one taking away the mutual responsibility of the Hong merchants, and the other reducing the payment of the import duties to three weeks, are injurious to commerce in general?—That is my impression; I think they have not benefited the trade there.

3824. What inducements do you imagine led the British merchants there to join so cordially in requesting those two regulations?—I am at a loss to understand; it appears to have been a very short-sighted policy on their part. I believe the committee were actuated with the view of preventing the embarrassments of the merchants generally, and certainly the payment of each others debts was a collateral cause of serious embarrassment; there can be no doubt, however, that the abrogation of the old system of the mutual responsibility of the Hong merchants for each others debts will be severely felt by foreigners generally.

3825. Does it not appear to you that ultimately the whole Hong would be brought into a state of bankruptcy if that system had been allowed to go on?—Not to the extent that my colleagues made it appear, but it certainly was to be apprehended, that if Chunqua's Hong failed, the probability was, that Mowqua's might follow, and perhaps one or two of the poorer ones.

3826. Is it probable that so many as four would have stood, when all the debts of the others had come upon them for payment?—It is difficult to say, but I should think that four of them would have stood; Howqua, Puankhequa, Goqua, and Mowqua I think would have stood.

3827. But if they had not stood, the whole would ultimately have fallen upon Howqua?—It is most probable that it would.

3828. May not one reason for their wish to make these regulations have been a principle of justice, in order to give new regulations in favour of the Chinese as well as in favour of foreigners?—It may have been so; but I consider that both these two regulations were in favour of the Chinese.

3829. Were not the other regulations in favour of the foreigners?—They were.

3830. Is it not injurious to the general interests of the trade, that foreigners should deal to any great extent upon credit with the natives?—Certainly it is.

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JAMES MILL, Esq. again called in, and examined.

18 Aug. 1831. 3832. IN one of your former examinations, in answer to question 3134, you stated that in India the principal source of revenue of the state must always be derived from the land; and that it was neither possible nor advisable to avoid this practice, in consequence of India being exceedingly poor, and there existing few sources of industry different from labour upon land; and that if you were to abandon the land revenue, there is no other means of obtaining a revenue. Now it appears that since the permanent settlement of Bengal, Behar, and Orissa, between the years 1792-93 and 1827-28, while the land-tax has stood the same, the whole revenue has increased from the sum of £4,536,000 to £9,150,000 or thereabouts, or in other words, been nearly doubled in a period of thirty-five years. How do you reconcile that fact with the opinion you have given?—A great proportion of this increase has arisen from two sources; the monopoly of salt, and the monopoly of opium. As far as the monopoly of salt is concerned, it is difficult to say how much is really paid out of the rent of land, in other words, how much the sums contributed by the ryots to the zemindars, of which we have no accounts, are necessarily kept down by the salt monopoly. With regard to the opium monopoly, the other great source of increase, it is not paid by the subjects of our government at all; it is a tax paid by foreign nations.

3833. Is it not equally a means of revenue for the support of government, whether paid by foreigners or raised from the internal sources of the country?—No doubt it is; it is a tribute laid upon a foreign country, in consequence of our possessing the supply, to a certain degree exclusive, of a particular article which is demanded in that country.

3834. Would not the opinion you have formerly given induce the Committee to believe that exclusive of the land there were no other means by which a revenue could with benefit to the country be raised?—Exclusive of the land, that an adequate revenue could not be raised is decidedly my opinion; as also that no other mode is equally good.

3835. You

3835. You have stated two sources of revenue; are you aware that the mint duties, for instance, which in 1792 were £5,000, have increased to £32,000?—That is very likely.

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3836. Are you aware also that the stamps, which were only £53,000, have increased to £238,000?—That may also be.

3837. Do you consider stamps to be a tax upon the inhabitants of the country, or paid by foreigners?—Not paid by foreigners certainly, though the opium is.

3838. Are you aware that the customs of the country also have increased from £78,000 to £367,000?—A considerable portion of this is paid by foreigners.

3839. The salt monopoly, which you mentioned, has increased from £1,054,000 to £2,382,000?—One observation may be made as applicable to all those facts generally. Suppose you were to abandon the tax on land, and to supply yourselves by taxes of another sort, a capitation tax, and taxes on commodities, a tax on corn, for example, a tax on salt, and other articles of necessary consumption; as it is still true that nine-tenths, and probably a larger proportion, of the annual produce of India is derived from the land, those taxes would in the aggregate fall in like proportion upon the land, whether you intended it or not. The sources of production are the sources of taxation; and as the great source of production in India, which yields so much of all that it does produce as to leave little behind, is the land, it follows, in my humble opinion, that the revenue must proportionally be derived from that source.

3840. May not a revenue be raised in India, as in other countries, by the increase of trade, by commercial transactions, and by various other internal regulations, without the possibility of its falling upon the rent of land, when that is fixed?—If you increase the sources of production, undoubtedly you increase the sources also of taxation, because the sources of production and the sources of taxation are the same. The moment you introduce to any considerable extent manufactures and trade into the country, there are new sources of production, and of course new sources of revenue, but so long as the land is almost the only source of revenue, so long must it of necessity be the only or the principal source of taxation.

3841. Does not the result of our experience from 1792 to 1828 show that there has been an increase in the other sources of revenue, exceeding the whole amount of the land tax at the time of the settlement?—The facts are, that the land revenue, three millions and odd, being fixed, has been stationary, while the revenue derived from salt and opium has mounted up to four millions; but that two of those millions derived from opium are paid by foreigners, and have no bearing upon my opinion with respect to the necessity as well as good policy of deriving revenue from the land. The salt tax is distributed over a large population, and it is impossible to determine how much it intercepts of what would otherwise be extracted from the land.

3842. In

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3842. In your answer to the question before alluded to, you have stated that there is really no one adequate source of revenue in India in your opinion, but the land tax. Does not it appear by the returns on the table now before you, that although the land tax is not much increased, yet on the whole the revenue from other sources has been doubled?—There is no question about the fact. The only question is, whether it contradicts my former evidence or not: I think it does not.

3843. May not there be other sources of revenue in India to which we may have access besides that of the land revenue alone, and is not that proved by the example of the last twenty-nine years?—What is actually proved by the example of the last twenty-nine years is, that about one million sterling more than before has been extracted from Bengal by means of a tax on salt; but it does not appear to me to be thereby proved that you can by other taxes supersede the land revenue, or that the land revenue is not the best.

3844. The question did not allude to superseding the land tax, but in aid of the land tax.—There is no doubt that all taxes come in aid of it, so far as you are able to raise them, and as far as you can show that these do not intercept what would otherwise be paid directly from the land.

3845. In the same answer you stated that probably nine tenths of the revenue of the government in India was derived from the rent of land. It appears however from an inspection of the public accounts that the real proportion of the land tax to the whole revenue of the British government, in 1827-28, is somewhat less than six tenths; a considerable difference from your estimate; arising chiefly from the state of the revenue in Bengal, Behar and Orissa, where the proportion of the land tax to the whole is less than one half, or about forty-two parts in a hundred, whereas in 1793 it was about sixty-eight in a hundred?—My remark of course extended to India generally, and did not include the particular circumstances of Bengal, which ought to be considered by themselves. Besides, when I said nine tenths, I used of course the language of a general recollection, and could be understood as aiming only at an approximation to the precise fact. The question however renders it necessary for me to repeat, what I have already intimated; my wish, in these statements, extending over an immense field, to be understood as not vouching for the perfect accuracy of my recollection. I believe I shall be found accurate in all the great matters. In the minor circumstances I never trust to my own memory; when I have occasion for accuracy I go to the source: still, in regard to the answer which has now been questioned, I believe that what I stated, leaving Bengal out of the question, and its extraordinary supply from opium and salt, is near the truth.

3846. It appears that the salt monopoly increased from £1,054,000 to £2,382,000, which was the amount in 1827-28. How do you account for that increase otherwise than by an increased consumption and consequent prosperity of the country?—There are other modes of accounting for a great proportion of it. When we first established the monopoly we were by no means

means so perfect in our prevention of smuggling as we are now, and a very large proportion of the salt consumed made its way through the means of smuggling into the country.

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3847. Are you aware that whilst the revenue is more than doubled from the salt monopoly, the price in the same time has increased more than fifty per cent?—The price, I believe, has been slightly progressive.

3848. Does not that large increase of consumption, notwithstanding the increase of price, which consequently would limit the use, show that there must be increased prosperity in the country?—There is a considerable increase of population, and there is a very great diminution of smuggling.

3849. Is there any particular period to which your attention is directed as regards the prevention of smuggling; because, by the returns before the Committee, the progressive increase is regular but gradual?—The observation with regard to smuggling would be exactly of the same sort. The improvement in the prevention of smuggling has been a process going on from year to year, the experience of one year affording instruction for the practice of the next.

3850. You are probably aware that the gross revenues of all India amount to about £22,800,000, whilst the land tax of all India amounts only to thirteen millions and a half. Would you therefore desire that the whole twenty-two millions required for the expenses of India should be raised by a land tax, or do you conceive it possible that such means should be resorted to?—What I stated was, that the revenue from the land should be limited to rent. I think it of great importance for any country, that as large a portion of the wants of its government should be supplied from the rent of land as can be, without infringing private property; that the rent of land, wherever it has not been converted into private property, is an invaluable resource to the state; and I gave it as my opinion that if the whole of the wants of the government in India could be supplied from this source, and all other taxes were remitted, India would be placed in a situation with regard to finance superior to that of any other country in the world; because in those circumstances I should consider the population of India to be untaxed.

3851. Admitting the same interpretation to rent which you have now given, and considering that the amount of rent to be raised is limited, do you think it possible to raise the revenues in India necessary to support the government there, and that recourse must not be had to other sources?—I believe that at present the rent of land in India is not adequate to the wants of the government, because I believe that upon the whole, with the exception of the permanently settled provinces in Bengal, where a portion of the rent goes to other parties, the whole of the rent is taken, and in some cases more; therefore my opinion is that the rent of the land in India is not equal to the expenditure of government, and that under the present state of expenditure a recourse to other sources is unavoidable.

3852. You have stated that it would be a most enviable situation for any country

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country to be placed in, where the government, being proprietors of the soil, should be able to raise all the expenses necessary to conduct the government by a rent, and dispense with other taxes; do you consider, from all you know of India as to the capabilities of increasing rent, that such an event could possibly take place?—I have not the smallest doubt of it, and to a much greater amount.

3853. Do you mean the rent of the land, without the application of capital to improve it?—Certainly not without the application of capital to improve it, I know no improvement without capital, nor any cultivation without it.

3854. Then do you mean that portion of the rent which you have described yourself to be the rent of land, that which is produced by the soil without the application of capital?—I have endeavoured before, on former examinations, to state as distinctly as I could what I mean by rent, which is the whole of the surplus produce derived from land, after making full remuneration to the cultivator for his labour and the use of his capital; in other words, as much as any man will voluntarily and knowingly give for leave to employ his capital on the land.

3855. If the land tax has decreased in the whole of India, from the year 1792-93, when it was 68-100th parts of the whole, if it has decreased to 42-100th parts in the year 1827-28, is not that a proof that other important sources have been discovered for increasing the revenue of India?—The fact proves itself; taxes to that amount have been raised.

3856. In reply to the same question, you stated that government deriving so large a proportion of its revenue from the rent of land, appeared to you to be one of the most fortunate circumstances that can occur in any country, because in consequence of this the wants of the state are supplied really and truly without taxation; and that as far as this source goes, the people of the country remain untaxed, the wants of the government being supplied without drain either upon the produce of any man's labour, or the produce of any man's capital. Can you state to the Committee any other productive source of taxation, derived from the barbarous predecessors of the British government, which has ever been relinquished in consequence of the government drawing the full rent of the land; but, on the contrary, are you not aware that it has had recourse to several new taxes, contrary to the feelings and prejudices of the people, such as stamp duties, town duties, house taxes, increase of the salt and opium monopolies, originating them even in places and provinces where they were before unknown, and the imposition of which has given rise in some instances to serious insurrection?—I am not aware that any one of those taxes was altogether unknown in India before the government of the East India Company; the house tax and town duties certainly not. Even stamps I have a notion were not altogether unknown; but there is a large list of taxes which the British government has remitted, too numerous for my recollection, but of which the account will be found in the documents

ments before the Committee. The taxes included under the head of Sayer, which have been remitted, were very numerous and very vexatious.

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3857. Do the opportunities you had of acquaintance with the correspondence with India at the time enable you to say whether those duties and taxes have not been remitted because they were unproductive and failed to succeed, and not on any principle such as you have stated ought to regulate the taxation of India?—Most decidedly on principle. It will appear by the documents before the Committee that there have been the most earnest injunctions to consider inexpedient all cases of small duties that were vexatious to the people in the collection, and to use every possible exertion to get rid of them.

3858. Do you recollect any one of those that was remitted on principle?—A great many; taxes on bullocks, taxes on ploughs, taxes on vegetables, taxes on a vast variety of small articles, and the whole of the extra cesses that were levied by zemindars and others; of all which particulars there is abundant evidence in the volumes of Selections.

3859. Are you not aware that the town duties enacted on all cities of Bengal are altogether new?—New in form. There was not anything the same in form then existing in some of the places where we introduced it, and that for a particular purpose; but it was certainly not a thing unknown to former governments, as the question appears to imply.

3860. Are you not aware that the imposition of the house tax at Benares in 1810 led to a disturbance, and also in Bareilly in 1816, because they were altogether new?—It was not the tax, but a combination of circumstances. The tax was introduced for the sake of what was called the subsidiary police, the establishment of chokedars in cities, towns, and sudder zillah stations; and the objection of the people was to this particular police, and the mode of its introduction, more than to the new tax on the houses, which was not persevered in.

3861. Are you not aware also, that in the Bombay territory and in Cuttack the salt monopoly is altogether new?—The salt monopoly at Bombay is altogether abolished; no such thing exists at Bombay, and it never existed otherwise than partially.

3862. How is the salt revenue derived at Bombay?—By a duty.

3863. Are you aware that at Madras the salt monopoly is new?—The salt tax is not new at Madras. Salt has always been a subject of taxation in India; our mode of raising it is new.

3864. Does it come within your knowledge, that one of the principal alleged causes of the rebellion which took place in 1817 in Cuttack was the imposition of the new salt monopoly?—I think the word "rebellion," applied to those disturbances in Cuttack, is not a correct name for them; they had little to do with any particular tax, they rose from a dislike of our system generally; the machinations and turbulence of a certain Rajah, the

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3865. Is it your impression, that taxes productive of revenue have been repealed in any part of India to any great extent on principle, and not entirely from the failure of their production?—I should affirm, that a great variety of petty taxes have been repealed, and general instructions to that effect conveyed on the precise principle, that to a great extent those small duties were much more harassing to the people than other sources of revenue; that therefore they were inexpedient, and should with the utmost expedition be got rid of. Evidence of this will be found in the volumes of Selections. It will there be seen, that the transit duty has been particularly adverted to; and that all those duties that are obstructive to the industry of the people, or oppressive in the collection, have been directed to be with the utmost expedition abolished.

3866. Is it your impression that regard was not had to the great expence of collection, and to the small net revenue which those taxes produced?—By no means. If the question means exclusively, I am of opinion that regard was in all cases had; and surely ought to be had, to the expence of collection.

3867. Does not that involve the consequence that they became unproductive as to the net revenue, and consequently were discontinued?—Not in consequence of that solely, nor principally.

3868. When you state that, by drawing the rent of the land, the wants of the government are supplied without any drain, either upon the produce of any man's labour, or the produce of any man's capital, you of course mean rent distinct from the profits of capital?—Clearly.

3869. When such proportions of the gross produce of the soil as forty-five parts in one hundred are assumed as the share of government, as has been done in Bengal under the permanent settlement; ranging from forty-five to fifty-five parts, as has frequently been done at Madras; or when the tax is assessed on a rude estimate of the fertility of the land by officers whose corruption, according to your own statement, is so great that they are never to be trusted, unless under the superintendence of a stranger, does it not seem morally certain that some portion, and even a considerable portion, of the profits of capital must be taken from the cultivators, supposing those proportions to have been exacted?—I have stated, generally, that my apprehension and my opinion is, that hitherto more than the rent of the land has been very generally exacted in India; but it does not appear to me that such is a necessary consequence of the system by any means.

3870. Are the Committee then to understand that in your former answer you meant to say, that, on a deliberate consideration, you thought that more than the net rent of the land had been taken?—That is my opinion; and it is the opinion decidedly of the Court of Directors, and of all the governments in

in India, who have given instructions upon that supposition, and accordingly very large remissions have been made during a series of past years. 18 Aug. 1831.

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3871. If such has been the case heretofore, does it not inevitably follow, from the system which exists, and from your own statement as to the mode in which you would recommend annual settlements to be made, that it is impossible to be avoided?—I have stated that, though difficult, it is in my opinion perfectly possible to avoid over assessment; and I have never recommended annual settlements.

3872. You were understood to say that it could only be by an inspection of the produce from year to year that a just estimate could be made of what the land was capable of producing?—When the question was put to me with respect to leases, which I stated to be in my opinion a great instrument for the encouragement of agriculture, and attaining agricultural prosperity, I stated, in conjunction with that opinion, that in the present circumstances of the ryots and the circumstances of India, there were great difficulties in the way of deriving those advantages from leases, which, in more fortunate circumstances, are derived from them.

3873. The territories of Madras being thinly peopled throughout, the land in many provinces sandy, naturally sterile, and deriving the greatest part of its productive powers from artificial irrigation, attended with heavy expense, is it not certain, that when a large land-tax is taken in such situations, the greater portion of it must consist, not of rent properly so called, and as you have defined it, but of the profits of capital; and must not such a tax therefore prove highly injurious to the industry of a country?—If you take more than the rent; if you tax the profits of stock laid out upon the land, there is no doubt you will obstruct the progress of the cultivation of land, because capital will not resort to it upon these terms; but it appears to me to be by no means necessary that more should be taken from the land than the rent of the land, at Madras more than anywhere else. The same means that can prevent it elsewhere, will prevent it also there, and in reality, as far as our government at Madras is in question, the expense of irrigation is that of the government, and not of the people, with very insignificant exceptions.

3874. Can you state what in your opinion would be the best means of preventing the ryot cultivators being called on for the excess of a proportion of the produce, which you consider has been and would be detrimental if continued?—I have stated generally that there is no other mode of doing it in India but what is done in England and every where else, by every owner of land without exception; he endeavours to ascertain as accurately as he can, in the circumstances of every farm, what it can afford to pay. That has been done over a great part of India with a great deal of care and a great deal of exactness.

3875. Are you not aware that there is no one thing more difficult to be ascertained in England than that point which you have now stated; and if that be so in England, with all the assistance we have, and on the spot, do

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you consider it likely that in India any better results could follow?—I have stated my opinion very strongly already, that it is a thing of extreme difficulty, but it is distinctly to be borne in mind that you would not obviate the evil by abandoning rent as the resource of government, because the same difficulty would exist in the hands of any other owners of the land whatsoever.

3876. You will not understand that in any question that is put the idea is entertained of abandoning rent, but the point desired to be ascertained is, the best mode by which the just proportion may be fixed which the cultivator is to pay, and the means of protecting him in enjoying the profits of the capital he may employ upon the land?—That question, I conceive, I have already answered; there are no other means of ascertaining the value of land in India but those employed in England: but I should state that more careful and studied means of accuracy have been had recourse to in some places in India than are very common in England, even where private interest affords the stimulus; I allude to the revenue surveys that have been going on for a series of years in the Deccan, in Guzzerat, and many other places, exhibiting a care and attention to avoid over exaction which can hardly be exceeded. Even that is not sufficient, because we have very imperfect instruments in India to act with, and it is always possible that a mistake may be made even by the most virtuous agents. But there is another source of information, by observing the facility with which the rent is paid, and by an accurate attention to the condition of the ryots from year to year, making remission wherever there is reason to believe that it will be advantageous.

3877. Could you direct the attention of the Committee to any one portion of India where that plan which you think best suited to protect the ryots and improve the country has been adopted?—I may point to the Deccan as an instance, and as evidence, to the Reports of Mr. Chaplin, in those volumes which are now before the Committee, exhibiting great care to protect the individual ryots; for though, as I stated before, that settlement in a general point of view is described as a village-settlement, cognizance has been taken over a great part of that country of the circumstances and condition of the holding of every particular ryot in every village, and pottahs given to them before the settlement is concluded. There are some Reports of Mr. Pringle, the revenue surveyor in Poonah, lately received, which are well worthy of the attention of the Committee.

3878. Do the results in that district to which you have referred bear out the accuracy of Mr. Chaplin's opinions, as stated in the Report alluded to? There is nothing that impugns them; the evidence from experience is of course exceedingly imperfect.

3879. It has been stated by the late Sir Thomas Munro, in his Report upon Malabar, that one-third of the revenue of that province is derived from a tax on fruit-trees. Now, as most of the trees in question, such as the palms, the pepper-vine, the jack, the mango and others, grow either in poor sandy

sandy soils, where nothing else will grow, and of which there is more than can be occupied, or in dry and comparatively sterile lands, unfit for the production of valuable crops of corn, which are equally abundant; and as the trees in question take from four to ten years to bear, is it not plain that in this case, which is far from being a singular one throughout the Madras presidency, that the tax purporting to be a land-tax has no feature whatever of such an import?—I do not think that the circumstance of this tax upon the fruit-trees in Malabar bears out the conclusion which the question seems to imply.

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3880. Where land is poor, and the period of years in which a crop is produced great, will not, in that case invariably, the rent, as defined by you, be small in proportion?—Every thing depends upon the value of the produce; a peculiar produce may have a high and even a monopoly value, from the quantity of soil qualified to produce it. There are some vineyards producing grapes of a particular quality, which, though exceedingly sterile, yield enormous rents.

3881. Do you mean that they afford a proportion of the gross produce equal to what better lands would afford, taking into account the capital employed in both?—I leave out of the account the gross produce altogether; my standard is the surplus produce of the soil, after a full remuneration to the cultivator.

3882. Are you aware whether the collectors in India take the same view which you do of leaving the gross produce out of their sight in the settlements they make, or do not they settle the rent almost invariably according to the portion of gross produce?—I believe that the great proportion of the collectors have no very clear ideas about rent, nor very distinct notions of what it consists; but there is one of them, Mr. Pringle, the gentleman I have before mentioned, who the Committee, if they look at his Report, will see has a correct notion of it, takes it as his standard.

3883. Do you then confine your observations to one out of the numerous collectors there are in India?—I should say that collectors generally have not that notion, and that in general the governments in India hitherto have not had it; but this principle has recently been strongly inculcated upon all the governments by the authorities at home; I mean the principle of rent, not that of a proportion of the gross produce.

3884. Are the Committee to understand that they have authority to make those remissions of the revenue to enable them to make their assessment upon the just principles you have stated?—Entirely so; the most explicit directions have been given to consider that all that government is entitled to take, or can take with safety to its own interests, is the surplus of the produce of the soil, after a full remuneration to the cultivator for his labour and stock.

3885. Have any returns arrived at the India-House from any of the districts

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tricts where reductions have been made on the principles you have now stated, or have the orders only lately been sent out?—The orders have been but lately sent out in a very explicit form; and when remissions are made, it is not very common to point out on what particular principle they are made; all that is held necessary is to say that the old assessment has been found oppressive, and that, in the opinion of the collector, a reduction should take place.

3886. Suppose a farm in India in its natural state to yield a rent of £50 per annum, and suppose the same farm to be improved by an outlay of capital, so as to be worth £300 per annum, would you consider that a good system of taxation which would abstract one half, or one-third, or one-fourth of the gross produce, or which could be even founded on its estimated productive powers, considering that five-sixths of the productive powers of the land are not derived from the natural and inherent powers of the soil, but from the capital applied?—I think the answer to that question is substantially involved in several answers that I have already made. I have stated that, in my opinion, no portion of the gross produce of the land can ever be taken as the standard, because various proportions of the produce go as rent, according to all the various qualities of the soil, some lands yielding no rent, others a fifth, others a fourth, others a third, and other portions of the soil, of a still more valuable quality, yielding half, or more than half of the gross produce.

3887. If it has been stated in evidence before this Committee that one half was the assumed share of Government in the Ceded and Conquered Provinces, and that, after all the trouble and care that had been taken, the making an assessment was little more than guess work, do you think that statement correct?—In regard to the assumption of one half of the gross produce being taken, that must have been some very loose expression, wherever it has been used. That it can be a standard is perfectly impossible. Unhappily the assessment partakes too much of guess work every where; and it has been stated, in one of the questions already put, that it is little better than guess work in England. Great pains have been taken in India to make it as little guess work as possible; and I alluded to the Decan as a particular case, in which care has been taken to ascertain the capabilities of the soil, the cost of production, and the surplus that may remain after the remuneration is made to the cultivators.

3888. Is not the value of rent, as of all other things, determined in every country by the competition of those who have rent to dispose of, and those who desire to purchase it; and seeing that the land-tax in India is arbitrarily and crudely determined by one party only, in the absence of all competition, how can it with any show of justice come under the denomination of rent at all?—In this question there are three or four things mixed up, to which it is not possible to make reply all together. In the first place, I say that the rent of land does not depend upon competition; it consists, as I have

have already stated, of the surplus which remains after remuneration made to the cultivator for his labour and for his capital.

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3889. Do you mean to say that rent, generally speaking, does not depend on competition?—Clearly so; I mean that my words should be understood in the largest sense.

3890. As it is admitted that the land-tax of India is arbitrarily and crudely determined, why do you call that portion which the government receives a rent?—I have not called it a rent; I have said that what is received in India I fear exceeds what I have defined to be rent.

3891. Is not the value or amount of the share of the produce of the land that any land can afford to give ascertained by the competition to hire that land?—The competition to hire land among the farmers in England is undoubtedly an element for ascertaining the value of the land, which you are to a considerable degree deprived of in India. This competition is not a competition on the part of the landlord, but a competition on the part of the tenants, and their competition must be limited by that simple principle which I have already stated, that of full remuneration to them for their labour and capital.

3892. Are the Committee to understand that that which has hitherto been paid under the name of land-tax in India does not deserve the name of rent?—It deserves the name of rent, and it deserves the name of something more. My conception is, that the governments in India have derived the rent of land; but they unhappily have not limited their demand to the rent. That which I should call rent has been taken, and something more.

3893. Are the Committee to understand that the land-tax of India which has been hitherto received, consists not only of the rent, but of a share of the profits of the capital employed in that land?—Yes.

3894. And that in proportion to the extent to which that share of the profits has been exacted, you consider that the tenantry have been injured?—Yes; unduly, because partially taxed.

3895. In the Bengal Revenue Selections, vol. 1, p. 181, in the Revenue Letter from Bengal Ceded and Conquered Provinces, 17th of July 1813, signed by Lord Minto, N. B. Edmonstone, and Archibald Seton, in the 39th paragraph, are the following words: "Objections have been made to the tithes at home, because, being levied in proportion to the increased produce of estates, they necessarily operate to the discouragement of agriculture. If this objection be founded in regard to the limited demand for tithes, how much more forcibly will it apply in a case like the present, in which the government may aim at drawing to its own treasury, not a tenth of the increased produce of estates, but a third, a moiety, or two-thirds, or any other proportion which may have been contemplated of such improvement." Are you not of opinion that a land-tax, levied under such circumstances,

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circumstances, must prove as injurious to the rural industry of India as tithes do to that of England, and increased in proportion as the amount of exaction is increased?—Any proportion of the gross produce, whatever it may be, appears to me to be the same in principle with a tithe. I conceive that a tax, being a certain proportion of the gross produce, never can be otherwise than an impolitic and a bad tax; but I deny that the revenue now raised from the land in India, in any part of it, is practically raised upon that principle.

3896. Are the Committee to understand that the revenue now raised in India is not raised by the exaction of a certain portion of the gross produce?—It is not raised upon that principle; it is not a proportion of the gross produce that is the principle of assessment.

3897. Does not this letter which has been now read apply to the plan existing, of taking the third, a moiety, or two-thirds of the gross produce of the land?—The latter appears to me to be stating a strong objection to the taking that as the principle to go upon; it shows that the impropriety of it was understood as far back as 1813.

3898. If you consider these objections to have been made to the mode of assessment, will you state from what period an alteration has been made in that mode of assessment?—I should say that that mode of assessment never existed; it has been spoken of as a sort of thing that might be had in view, because it was the principle theoretically taken by the government that went before us, though in practice totally inoperative. With us the ground of assessment has been the payment of former years, and an observation of the state of the village and of the land.

3899. Do you mean to say that the settlements made in the Upper Provinces were not made with reference to the gross produce of the soil?—Upon the principle of taking a portion of the gross produce, decidedly not.

3900. Then upon what principle were the assessments made, levied as they were by officers admitted to be crudely informed of the value of the lands?—If I am obliged to refer to any one principle, I say the payment in anterior years; that was more the guiding principle than any other.

3901. Does it appear on what principle the payments of former years were fixed?—The payments of former years were in general regulated by the ability of the cultivators to pay.

3902. Did not Sir Thomas Munro, in his despatches from Madras, state that such was the practice, that a third or other proportion of the gross revenue was taken as land-tax for the soil?—If he had stated so I should not have believed him, because it is an impossibility; but he appears to me, when his words and actions are justly interpreted, to have stated the reverse; he has talked of this division as a principle, in the same way as it has been talked of in England. We have all of us heard of a threefold division of the produce

produce in England, a third to the landlord, a third to the soil, and a third to the cultivator; but we know perfectly well that the exaction of rent is not regulated by any such idea. All that is true with respect to Sir Thomas is, that he has used the language of the country, the language of the division, without acting upon the principle.

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Veneris, 19^o die Augusti, 1831.

JAMES MILL, Esq. again called in, and examined.

3903. Are the Committee to understand that the opinion you have given as to the ryotwar settlement being the one you would recommend in India, has been come to on a consideration of the amount of revenue collected in Bengal, and also in the other provinces of India?—My opinion has been come to on a consideration of all the circumstances connected with the revenue, but more especially from the consideration of the protection and well-being of the ryots.

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3904. Besides Bengal, Behar, and Orissa, is not Benares also a district where the perpetual settlement has been made?—Yes.

3905. Are you aware that the revenue of Benares, from the period of its permanent settlement in 1795 to 1828-29, has advanced at the rate of eighty per cent., and from 1809-10 to 1828-29 at the rate of about twenty-nine per cent.?—I know it has increased very considerably.

3906. In answer to question 3380 and 3383, you have stated that there was a decline in the revenue of Benares in the period of seven years, from 1822 to 1829. Now it appears from the Appendix to the Second Report of the Select Committee in 1810, that the revenue in Benares in 1792-3 is put down at £442,850, being a period before the permanent settlement. In the year 1795-6, the year of the permanent settlement, it is put down at £408,865, and in the Appendix to the Report of the Select Committee of 1830, page *, the total revenue of Benares for 1809-10 are put down at £570,486.; for the year 1817-18 they are put down at £624,354, and in the year 1827-28 they are put down at £778,533, showing an increase in the whole of the revenue between the period of the permanent settlement from £408,865 to £778,533. If those accounts are correct, does it not appear that both in Bengal, Behar, and Orissa, and in Benares, where the permanent settlement exists, the total revenue at each place has very considerably increased?—I believe it has, upon the whole, in those provinces.

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3907. Are you aware that in the other provinces of India generally, where the permanent settlement does not exist, and where the periodical settle-

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ments are made, the revenue has decreased?—The revenue has not increased in the Ceded and Conquered Provinces.

3908. Are the Committee to understand that you have stated that the government of India may, not only without detriment, but with signal advantage to the community, assume the full rent of land as a tax?—Yes.

3909. Do you mean that the class of landlords or proprietors of the soil, which is a class deriving the rent of land and subsisting upon it, is not considered by you actually necessary in the frame of the Indian government?—I consider them by no means necessary, and if we may judge by previous experience, I should consider them hurtful.

3910. Then your opinion is, that the rent of India may be collected by immediate settlement with the cultivators, without the intervention of zemindars or proprietors to live on a portion of the rent?—Yes.

3911. As you have well considered the manner in which you would recommend the settlement to be made, and as it is presumed from your answer to a former question, that you would grant leases, will you state what period you contemplate, as likely to be most beneficial to the cultivator and to the government?—I think the leases should be of considerable duration; a few years more or less I consider of no material importance; but I conceive, that the principle of the duration of the lease is, that there should be full time during the currency of the lease, to derive the full benefit of any ordinary expenditure of capital which the cultivation may require.

3912. What would be the most suitable period in your opinion?—I think it ought not to be less than twenty, and I should not make it more than thirty years as a general rule.

3913. Up to the present period, have any leases for that period, on the plan you now suggest, been granted?—They have been rented not in any very considerable number, but instructions to that effect have been transmitted to India, and thirty years have been named by the authorities at home, as the duration of a lease, which they should be willing to sanction.

3914. Were those instructions sent to every presidency of India, or if not to which of them?—I think they have not been confined to any one presidency; I may venture to say, that the instructions have gone to all the presidencies.

3915. Do you recollect the date?—The dates have been recent, and it is but recently than any considerable discussion has taken place in regard to the duration of leases.

3916. Will the instructions to which you allude be found in the collections recently laid before the Committee?—I believe that those collections which I see upon your table refer to other subjects; but there is a continuation of the printed selections now in progress at the India House, in which they will be found.

3917. Are you aware at what period the Court of Directors had it under their

their consideration, and actually sent orders to India fixing or recommending leases of fifteen years, as the time that would afford every protection requisite to the cultivators?—I have no recollection of those instructions.

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3918. Are the Committee to understand that up to the present period, as far as you are aware, those instructions respecting leases to which you allude, have been acted upon?—I have no reason to suppose that they have not, they are not of so distant a date, as to make me know that they have been carried into effect to any considerable extent, because we have not information in consequence. It may be proper to mention what is nearly equivalent, that several renewals of quinquennial leases in the Bengal ceded and conquered provinces have taken place. They were settled fifteen or twenty years ago under quinquennial leases, and the instruction has been regularly continued, that those leases are to be renewed at the termination of those five years, unless there is particular reason to the contrary.

3919. Is it intended by the Court of Directors that one uniform system with regard to leases should be adopted in India, or are there various periods of arrangement according to the different districts?—The Court of Directors abstain in general, and I think with great wisdom, from giving directions to their governments abroad in any considerable particularity. They think it sufficient to give suggestions and general rules; to point out the great object to be aimed at; but they leave the governments on the spot to accommodate those instructions to particular circumstances.

3920. Do the instructions proceed to fix one rent for the whole period of twenty or thirty years, or are the leases to be granted on an increasing rent?—On a fixed rent, and under this understanding, that in the present circumstances of the ryots in India, and under the fluctuations of season, no such rents will be regularly collected; that frequently remissions and large remissions will be unavoidable.

3921. And no increase in any case?—No increase in any case.

3922. Is any provision made for the increase of cultivation by taking in waste lands, or is that to be included in the lease that is given of the land generally?—The whole of the land at the time the lease is given is included, and the cultivation of the waste belonging to any particular holding effected during the period of the lease will not give occasion to any additional charge.

3923. In the Ceded and Conquered Provinces you have stated that they now grant leases for five years?—Yes, which have been renewed several times upon the same terms.

3924. In the permanent settlement by Lord Cornwallis was it not one of the essential points that the ryots should all have leases or pottahs?—That was a recommendation, and it is in my recollection that it is in a Regulation, but it has never been acted upon; it was considered to be impracticable, and has remained a dead letter.

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3925. Are you not aware that pottahs were directed to be granted in almost every part where the permanent settlement was made?—They were directed to be given, and some attempts were made to have the thing done, but it never was done except partially, and in very few instances.

3926. Do you know why it was not done?—Difficulties and objections were alleged; both the zemindars and the ryots disliked them.

3927. Are you aware that by a regulation published in 1799 it has been a rule that whenever lands were sold for the debts of the zemindar every existing lease which the ryot had was cancelled by that sale?—That was so for a certain period, but I think it was put an end to.

3928. Is it not your opinion that such a practice must be highly injurious to the ryot by rendering the application of capital as regards the fruits to be derived from it very uncertain?—No doubt, very injurious.

3929. Is it your object that in every lease to be granted the tenant should be so secured that he may consider it as a settlement for his family or for himself, whatever may happen during the period for which the lease runs?—Perfectly so; it should be a complete property in the most perfect sense of the word.

3930. These questions have been without regard to the ryotwar settlement; but have any instructions been sent out as regards the village settlement?—The instructions in regard to leases and long leases have not been restricted in regard to the parties contracting. But where the contract is for a village or other larger district no leases are to be granted, unless at the same time and for the same period leases are granted under the cognizance of the collector to the inferior cultivators.

3931. And that it should be imperative upon the potails or mocuddums of the villages to grant leases to the cultivators similar to those proposed under the ryotwar system?—Yes, and the thing has been done to a considerable extent in the Deccan. In making the village assessment the collectors in a number of those cases, and the surveyors, have taken an account of the holding of every ryot in the village, and have with their own hands given every ryot in the village a pottah of this description for as long a time as the settlement was made with the potail.

3932. Are the Committee to understand that previously to granting the lease the same attention is to be paid to the ryots or the cultivators, with respect to the fields or lands that they are to obtain a lease of?—Undoubtedly so; a settlement equally strict will be made for each ryot as is made for the middleman.

3933. With reference to the power of withdrawing the leases in case of sale or a change of chief, are you aware whether that practice has not still continued in the Ceded and Conquered Provinces, the same as in Bengal?—Hitherto in the Ceded Provinces there have been no contracts in favour of the ryots: the settlement has been made with the mocuddums, the parties who have been

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been too frequently recorded in the collectors' books as proprietors : and the said proprietor has been left to collect from the village in any mode he pleased ; but the instructions from the Court of Directors go to the protection of them, on the plan I have now stated. Hitherto the difficulty which has weighed with the authorities at home, even as to granting leases of more than five years' duration, has been that the leases were made with the mocuddums and the heads of the villages, the parties treated as proprietors, and that till the tenure of the ryots and the amount of payment they ought to make have been ascertained and defined, so as to make their rights susceptible of protection, it would be exceedingly hazardous to them to give leases of a longer duration to the middleman or head man.

3934. Are you aware that Regulation 44, of 1793, passed as it is stated for the security of the public revenue, and for the protection of the landholders, actually limited leases to the period of ten years?—I am aware of that.

3935. And that that same regulation cancelled all the leases on the zemindary lands that should be sold?—Yes ; but that law is, I believe, no longer in force.

3936. When do you expect this regulation with respect to granting these long leases to come into operation?—I expect that the rule will immediately come into operation ; that in future settlements, whenever it is found that they can ascertain the circumstances of the ryots and make an agreement with them, the practice will be universal ; but the making those agreements and ascertainments for the ryots is a process of detail and difficulty, and of course requires time in the operation. Instructions have been given to the collectors in the Upper Provinces, to proceed in those inquiries, village by village, and to make settlements in detail, as rapidly as they can effect the necessary inquiry. They originally went upon the plan of postponing the alteration altogether, till an ascertainment could be made for the whole of the provinces.

3937. You are aware that the Regulation No. 44, of the year 1793, which was passed for the security of the public revenue and for the protection of the heirs of the landholders, expressly enacts that no actual proprietor of land shall grant pottahs or leases to ryots or other persons for the cultivation of lands for a term exceeding ten years, and it further enacts that all pottahs granted to ryots for the cultivation of lands sold for arrears of public revenue, shall stand cancelled from the day of sale. Does it not appear to you from this, that the British Government, which made the perpetual settlement, did not itself attach any very great weight to the supposed hereditary and indefeasible rights of the ryots to the occupancy of the land?—I do not think that the object, or any of the provisions of that regulation, though I think they were impolitic, bore upon that question at all.

3938. In what way would this new scheme of granting these long leases affect that part of India which is under the permanent settlement?—That
part

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part of India which is under the permanent settlement, I conceive it is not applicable to.

3939. Would then the Regulation which has been referred to still continue in force, the Regulation prohibiting the granting of leases to ryots?—I believe that that Regulation does not now continue in force, the object of it was to prevent alienations of the revenue.

3940. You have referred to five years' leases without increasing rents; was it the practice to grant those leases in the Conquered Provinces?—Yes, in the Ceded and Conquered Provinces both; the whole of the western provinces.

3941. It appears that the amount of the land revenue of the Conquered Provinces in 1817-18 was 1,397,285, and in 1827-28 it was 2,046,000; how do you account for that increase?—A considerable portion of that country, when the leases were first made, was not settled on lease, on account of the proprietors, as they called them, or head men of the villages, not being forthcoming at the time. I cannot mention from recollection what was the extent of the country that was placed under khas management, or annually settled; but I conceive that this circumstance will account for much of the increase that took place, as the leases gradually were extended. There are various other contingencies, which are perpetually happening; the leases are given up, or they lapse from circumstances, to the government, and are re-settled; in various cases, also, there has been increase of cultivation in the Upper Provinces.

3942. Then you do not conceive that it is to be accounted for by any increase in the rent contracted for in the leases?—Certainly not, the leases have been renewed simply.

3943. And there has been no increase in rent, even in the case of additional land being taken into cultivation?—Not if it distinctly belonged to the particular village for which the lease had been contracted. It is only in cases in which cultivation may have been extended over portions of the waste, not so contained in the lands of any village.

3944. You said yesterday, that if there was no revenue raised in India but that derived from the rent of land, you should consider that the population of India was untaxed; does not a large proportion of the rural population of India consist of ryots?—Yes.

3945. Do you not conceive that the zemindar, under the permanent settlement, has a great power of exacting money-payments from the ryots?—I believe he has unlimited power.

3946. Supposing a zemindar to be involved in necessities, will he not be tempted thereby to endeavour to relieve those necessities, by extracting the largest possible payment from the ryot?—I believe he almost invariably does so; there are exceptions of benevolent zemindars, but I believe they are very rare.

3947. Supposing

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3947. Supposing the difficulties of the zemindar to be increased by augmented taxation, or government demands upon himself, will not that induce him to have the same recourse for the purpose of relieving his difficulties, as if he was involved in those difficulties by wasteful extravagance?—I believe that his difficulties would operate upon him in the same way from whatever cause they are derived.

3948. And that he would be induced to relieve those necessities by the same means?—Certainly.

3949. Would not the increased demands of the zemindar upon the ryots tend to encroach upon their comforts, and to abridge their capital as far as they possess capital?—Assuredly they would.

3950. Then, supposing increased demands upon the zemindar to induce him to make increased demands upon the ryots, will not the comforts of the ryots be affected by those demands made upon them by the zemindar; and if those demands made upon them by the zemindar are induced by the demands of government upon the zemindar, will not the comforts of the ryots be affected by the demands of government upon the zemindar?—No doubt, according to the above chain of circumstances.

3951. Then increased demands by the government upon the zemindar would have the effect, through the medium of the zemindar, of affecting the comforts of the ryots?—I should desire, in my answer, to speak with some limitation of the very broad terms of the question. I should say, that if the zemindar came to be pressed by the demands of the government, this distress would stimulate him to draw more from the ryot, in the same way as any other distress he might be placed under; but it is not easy for me to conceive a set of circumstances in which the zemindar should be driven to those distresses by the exactions of government, unless he were to be rendered subject to a peculiar tax, pressing exclusively upon the class of zemindars.

3952. Is not the land revenue a tax demanded immediately of the zemindar in those countries in which the zemindar is the middle-man between government and the cultivator?—The zemindar was understood, by the terms of the permanent settlement, to be constituted the owner of one-tenth of the rent of the land, he being under engagement to pay nine-tenths of it to the government. This tenth is his property; therefore I do not consider that those nine-tenths which the government reserved to itself, when it alienated one-tenth to the zemindar, ought to be regarded as a tax on the zemindar.

3953. Supposing, instead of reserving the nine-tenths, an increased demand was made by the government, if the zemindar was at liberty to do so, would he not reimburse himself by a further demand on the ryots?—Undoubtedly he would do so, if he had not already taken from them all that they could give.

3954. Then in the case in which he has not already taken from them all that they can give, and the coincident case of the government demand upon him

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3955. Then how do you reconcile that state of things with the opinion, that where there is no demand made by the government but upon the profits of the land in the hands of the zemindar, the population are untaxed: would not the demand upon the zemindar lead to a further demand upon the ryots?—That is to say, the zemindar would demand from the ryots more than a rent, which I believe is the case now. He does demand more than a rent, and takes as much as they can pay. My remark was hypothetical: it went upon the supposition that the point of perfection was attained, that a rent, and no more than a rent, was taken from the land for the supply of government; that this rent was adequate to that supply, and that no other tax was raised. In those circumstances I should say that the country was untaxed. If anything occurs or exists which prevents that object from being attained, it would not be proper to say that the country is untaxed.

3956. Then that opinion of yours rests upon the assumption that the point of perfection is attained in making the demands of the government?—Clearly so.

3957. Which has not yet been accomplished in any part of India?—I believe not in any part of India, generally speaking.

3958. Do you not mean, that if the cultivators paid to the government no more than they would otherwise pay in other countries to the landlord, and had nothing else to pay under any other head whatever, they might be said to be totally untaxed?—Yes, that is my meaning.

3959. Are you aware that in some parts of Bengal, where there has been less change of property than in others, such as the twenty-four pergunnahs, district Moorshedabad, and others, the payments by the ryots to the zemindars have become as it were fixed by prescription?—I do not believe that they have become so fixed; I have no evidence to that effect, but I think I can produce plenty of evidence to the contrary.

3960. Then you are not aware that in some of those places rights of property have sprung up, not unlike that of copyholders in Europe?—I suppose the question alludes to a set of estates called the Puteetabady talooks; estates within the 24 pergunnahs, bordering upon the Sunderbunds, which have grown out of particular leases, not granted by zemindars but by government to ryots. There is a full explanation of them in one of the volumes of the printed Selections upon the table of the Committee.

3961. Then you are not aware that in some districts a few annas are frequently paid per begah, agreeably to the original settlement, and that from the introduction of indigo and other culture, the value of that has increased in some cases to a rupee, in some cases to two rupees per begah, and that the possessor of that is enabled not only to enjoy the profits, but to hand it down to his children?—I have no knowledge of any such circumstance.

3962. Yon

3962. You are not aware of any of those that are of the class of hereditary ryots?—None, unless they are independent of the zemindar, and holding property of themselves.

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3963. Where they are independent and holding by themselves, are you aware that that property has become of very considerably increased value since the settlement made by Lord Cornwallis?—The term “increase of value” is so exceedingly vague, as applied to those lands, that it is necessary to explain it. If it is meant that the land is able to pay a greater rent, that is very probable; it is the case of all the land in the neighbourhood of Calcutta, which has enjoyed the benefit uniformly attending the proximity of land to a large city.

3964. Are you aware whether it is not the case with respect to many of the zemindars with whom settlements were made under Lord Cornwallis’s system, that the property held is now stated by the dispatches from India to have increased to four times the value of that which they agreed to pay to the government of Bengal?—Yes, and much more.

3965. Is not that of the nature of our copyhold land, where they enjoy the whole revenue, and only pay a fixed sum for it?—The zemindar pays a fixed sum for his zemindary.

3966. Could any such increase of property take place under the system which has hitherto existed in other parts of India?—The same sort of advantage to the zemindar would undoubtedly not accrue in other parts of India, but the advantage that has thus accrued to the zemindar would have accrued to the government.

3967. Would these improvements, which have gone on under the perpetual settlement, have gone on under the existing system of temporary settlements?—If it is meant under a system of great over-assessment, I should say not, but if it is meant under the ryotwar system, without over-assessment, I should think that whatever improvements have gone on in Bengal under the zemindary system, would have gone on, and with much more rapidity and certainty.

3968. Is there any proof of that having gone on in any other part of India, where a permanent settlement has not been made?—There is not the same evidence of improvement any where in India as in Bengal.

3969. Does not that afford a fair ground to conclude, that under the permanent settlement there has been a greater inducement to make those improvements, in order to add to the value of their estates?—The two circumstances have undoubtedly been concomitant, but I by no means infer from this that the one is the cause of the other.

3970. You were understood to state, in the former part of your evidence to-day, that it was necessary, in order to encourage improvement, to establish a right of property in the soil by the length of lease you would give?—I conceive that to be one of the most important of all means of improvement.

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3971. If it is beneficial to create a right of property to encourage improvement by leases of fifteen, twenty, or thirty years, is it not *a fortiori* more important to give a permanent right to that property as an additional inducement to improvement?—I am not disposed to admit that conclusion; I am by no means of opinion that cases of a sufficient duration are not as effectual in improvement as permanency, and I should say, adverting to the experience of all countries, that improvements have been made by leaseholders, and not by permanent holders, in the great majority of cases.

3972. Will you explain why you consider a lease beneficial upon general principle?—By affording adequate encouragement to the outlay of capital upon the land.

3973. If that is an encouragement by securing the enjoyment of the profits of the application of capital, is it not your opinion that a permanent settlement would be a stronger inducement to improvement than a temporary one?—I think that, practically, it is not.

3974. Can you explain on what grounds you think a permanent security of property not so likely to encourage a man to improve his estate, as a right for a limited period?—Because I think, in general, the persons who own rent, and live upon rent, consume it all. That is the rule almost universally with them in India, and very generally, I believe, elsewhere. Accumulation is made by the immediate cultivators, and it is accumulation, and that alone, which is the source of capital.

3975. Do your observations apply to the granting permanently to the zemindar?—Granting permanently to the zemindar, or permanently to anybody, even to the cultivator, because if the permanency of his grant were to exalt him to the character of a zemindar, my observation would apply to him as well as to the present class of zemindars.

3976. Taking into consideration the great extent of cultivation, and the mass of ryots in India, how could the cultivation of a few begahs or of small lots of land, raise them into the character of zemindars, or even proprietors?—Supposing you were to fix a rent at the present moment, an equitable rent, neither more nor less than according to my definition of rent it ought to be; this, after a lapse of time, after the increase of population and the extension of cultivation, would become something less than the rent; in process of time, something considerably less. After that time, the ryot whose payments were thus rendered permanent, would not be merely a cultivator enjoying the profits of his stock, he would have become a landlord, enjoying also a portion of rent. As soon as he does enjoy a portion of rent sufficiently large to enable him to live upon it, he feels the temptation to let his land to other ryots, and cease cultivating himself.

3977. Is that the case generally in England with the proprietors of very small portions of land, do they not in general cultivate themselves?—I believe

believe in a great many cases not, in others they do, but I believe it is not found that they are better cultivators than the class of leaseholders.

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3978. Can it be supposed, in looking at the class of individuals who are to rent the lands in India, that such danger to any extent could take place?—The danger would not be immediate, because the progress of population and cultivation, which would render what would be an adequate rent at this moment, a good deal less than a rent, is a result which it must require many years to bring about. But supposing a payment was to be fixed in perpetuity, at the present moment, and that each of the present cultivating ryots was, after a certain number of years, to be the owner of a certain portion of rent, I should expect the consequence I have now mentioned to take place.

3979. How do you account for the improvements that have taken place in America and in Australia, and which are now taking place in the more densely peopled parts of those countries, except on the principle stated, of the cultivators being also the proprietors?—Those cases I think cannot very properly be brought into comparison with India; the circumstances are essentially different.

3980. Are you not aware, that in America it is not one in twenty cases where any person hires a farm, but that the almost general rule is, that the proprietor cultivates it?—That cannot be the case where the property is extensive. As long as the holding is small, no doubt it is so, but such great proprietors as Jefferson was in Virginia, Washington and others in various places, have their tenants.

3981. Then you are not aware, that the cases of having tenants are exceptions from the general rule in any of the States of America?—I have not the least doubt there are many persons in America who continue to accumulate, and to lay out their accumulations upon the cultivation of the land; but I believe that the inducements in America are of a very peculiar kind.

3982. Why should not the same principle operate in India, where so much waste land may be cultivated, as now operates in other parts?—I think the same motives do not exist. The people are in different circumstances. A population of old and rich countries transplanted into a country altogether new, seem to deal with land not as landlords but mercantile adventurers.

3983. Is there not also in Bengal unoccupied land of the highest fertility?—Not unoccupied land; for with respect to the uncultivated land, that is in the first instance, and for a time, very far from being fertile; it is covered with jungle.

3984. To try it by the test of experience, has not the ryotwar system been in operation, with little interruption, for thirty years; and from any information you possess, can you state that any improvement has taken place in any of the ryotwar settlements equal to that which has taken place in Benares, and in the settled provinces of Bengal?—The ryotwar system has not been in existence for so long as thirty years. Even where the ryotwar settlements were

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were first introduced, they were interrupted by village leases for a term of years.

3985. Do you attribute the want of improvement to the introduction of those leases?—The want of continuity; but as to the comparison, the circumstances of Bengal where the settlement has been permanent, and the circumstances of those districts where the ryotwar has been introduced, are different in the highest degree. Bengal has been for a much longer period under our government, and the security which it affords. It was not till 1801 or 1802 that we possessed other territory at Madras than the Jaghire and the Northern Circars. Bengal is a much more densely peopled country; it has been the field of a much more active commerce from various causes; and another and main circumstance is, that the Madras territory came into our hands in a much more impoverished state than Bengal.

3986. In Benares the permanent settlement has existed for a much longer period than that; and do not you think that in that province more improvement has taken place than in any other part of India?—I consider that that partakes very much of the circumstances of Bengal.

3987. Then to what do you attribute the increase of the value of the zemindaries which has taken place since the permanent settlement?—The increase, in a great many cases, is owing to the great inequality of assessment under the permanent settlement. Some zemindaries were fully assessed, and more than fully assessed; others were greatly under assessed; we were then exceedingly ignorant of the circumstances of the country. In other cases the increase of value is to be accounted for by the zemindary being favourably situated, by increased cultivation, and a variety of other circumstances.

3988. Are you aware what was the value of those zemindaries before the permanent settlement?—They had no value before the permanent settlement.

3989. You admit that they have acquired value in some cases to the extent of one hundred-fold, what could give them that value but the permanent settlement?—The permanent settlement.

3990. Is there any value attaching to the possession of land in the Upper Provinces at all to be compared to that in Bengal?—The circumstances cannot be compared, because in the Upper Provinces the demand of government is liable to be increased.

3991. Do you conceive that improvement was going on in Bengal previous to the permanent settlement?—I have no doubt there was an increase of population in Bengal, which began with the quiet, tranquillity and security which our government introduced, and has not ceased.

3992. Are you aware that Lord Cornwallis, in his despatch of the 2d of August 1789, states the following communication, "I am sorry to be obliged to say, that agriculture and internal commerce have for many years been gradually declining, and that at present, excepting the class of shroffs and

and banyans, who reside almost entirely in great towns, the inhabitants of these provinces were advancing hastily to a general state of poverty and wretchedness?"—It is very likely that he made that description, but I should not admit the truth of it.

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3993. Are you aware that almost all the despatches from India at that period have nearly the same bearing?—Lord Cornwallis, and the people who generally wrote under his direction and under his influence at that time, were very anxious to make out a case for the permanent settlement, and Lord Cornwallis, of course, went upon the information that was given to him.

3994. You are understood to admit that, previously to the permanent settlement, a zemindary could not be considered to have acquired the value of many years purchase?—They had acquired the value of no years purchase, because they were liable to increased demands by the government every year.

3995. Are you not aware that the revenue derived from Bengal up to the time of the permanent settlement had decreased instead of increasing?—That is not in my recollection.

3996. Is it not within your knowledge that in the years which immediately followed the permanent settlement, the land in Bengal, Behar, and Orissa did no more than offer security for the revenue when it was brought to sale?—I believe that at first the sales brought very little.

3997. Are you aware that in 1796 one-tenth of the whole provinces of Bengal, Behar, and Orissa was sold for arrears of rent?—A large proportion, as I have stated in my former evidence; I do not know the exact proportion.

3998. Are you aware that in the year 1822, in a despatch of Mr. Colebrook's Minute, (see a letter of the government of Bengal to the Court of Directors, 1st of August 1822,) are these words: "The sale price of land is on an average equal to nearly four and a half times the annual revenue of government; and landed property being very highly prized, we should imagine that where circumstances are favourable it may be estimated to amount to at least sixteen years purchase of the net rental?"—I have no doubt there is such a passage, but the words now quoted require some explanation, for it appears to me that there is ambiguity in them. I understand that what the letter is speaking of is the rate at which land is sold. But in one part it is stated that it sells for four and a half years' purchase of nine-tenths of the rent, and in another that it sells at sixteen years' purchase of the whole rent. Now that I do not understand. The first statement of four and a half years' purchase of nine-tenths, is surely a great deal more than sixteen years' purchase of one-tenth. If we suppose the meaning to be that the average is four and a half, and in peculiar cases sixteen, we may reconcile the assertions. But the language used in Bengal respecting years' purchase of estates, an expression they are fond of using, has sometimes one meaning, sometimes another, and we are left to guess what it is. Accurate language respecting number of years' purchase would denote the number of years'

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years' purchase of the one-tenth, which was supposed to be the share allowed to the zemindar at the time of the permanent settlement, and in that sense the variations are extraordinary. In some cases land is sold for not two years' purchase, and in some cases for fifty; and I believe there are instances of as many as a hundred years' purchase of the supposed tenth.

3999. In the same despatch there appears, from paragraph 245, to have been a sale of lands, and that the years' purchase, reckoning the proprietor's profit of ten per cent. on the jumma, is stated to be sixty-nine years, seven months and twenty-two days, and the lowest is twenty-nine years nine months and twenty-six days?—That appears to be years' purchase of the one-tenth.

4000. Since the establishment of the permanent settlement has not property acquired a value, and are not the zemindars able to sell it at that advance?—That is the case.

Martis, 23^o die Augusti, 1831.

JAMES MILL, Esq. again called in, and examined.

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4001. How do you account for the fact, that while the revenue of Benares, from the period of its perpetual settlement in 1795 to 1828-29, has advanced eighty per cent., and from 1809-10 to 1828-29 twenty-nine per cent., the revenues of the Ceded Provinces in Oude, under periodical and temporary settlements, have, between 1809-10 and 1828-29, fallen off between ten and eleven per cent., and between 1817-18 and 1828-29 by above twenty-one per cent.?—The series of questions now intended to be proposed to me having been obligingly communicated to me, I have been able to consider the general purport of them, and there are one or two remarks applicable to all of them, which if the Committee permit me to make at the present moment, may shorten the process of examination. The queries consist of two sets; one relating to the fluctuations which have taken place in the revenue, contrasting the progress of the revenue in the permanently settled parts of India, with its decline in those not permanently settled; the second set relating chiefly to the cost of collection, where also the object seems to be to contrast the expense of collection under temporary with that under permanent settlements. The facts which are the foundation of these questions, seem to be adduced for the purpose of one general inference, which is this, that if it appear there has been an increase of revenue and small cost of collection under the permanent settlement, and no increase but the contrary,

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contrary, and great expense of collection, under temporary settlements, therefore the system of permanency is good, that of non-permanency is evil. The statements which are adduced for the sake of this inference, are in general prefaced, in short they are put into the interrogatory form by asking how the facts are respectively to be accounted for. To questions of this description, it must be apparent that no detailed answer can be given. To state the causes of all the fluctuations of the revenue which have taken place in all the different parts of India, during a period of thirty-five years, would require months for exploring the records, and days not few in number, to deliver by word of mouth the particulars to this Committee. I suppose, therefore, that if in answer to the question which is applied to each of the several facts, namely, how I account for it, I state such general considerations as occur to me, and bear with weight upon the subject, this will be deemed sufficient, and all that is expected from me. Having had leave to premise thus much with respect to the questions applied to the several facts, I may also, perhaps, be permitted to make a remark in regard to the conclusion which it seems intended to deduce from them. If the facts, as they are placed in the questions before me were admitted, admitted without any explanation—if no satisfactory account could be rendered why there had been an increase of revenue in the zemindary provinces, and a falling off of revenue in the provinces under temporary settlements—this would, in my opinion, afford no ground whatever for the inference that the zemindary system is preferable to the ryotwar. To me it would still appear, that to bear out this inference there was nothing whatever in the state of the facts but this one circumstance, that they had existed concomitantly; that at the same time with the existence of the permanent settlement in Bengal there has been an increase of revenue, and in the districts and provinces temporarily settled there has been a decline of revenue. It does not by any means follow, because the zemindary system was contemporary with prosperity in the one case, the detailed and temporary settlement with the want of prosperity in the other cases, that they were respectively the causes of these opposite results. The question now put to me, the first of the series on which I have been permitted to make these remarks, consists of two parts; the first, an inquiry respecting the cause of the increase of the revenue in Benares during a certain period, and the cause of its falling off in the Ceded Provinces. The general observations which are applicable to the progress of the revenue in Benares, from the date of the permanent settlement, will be considered, I think, as going a great way towards accounting for all that progress. When the permanent settlement was introduced in Benares, it was only a part of the province to which the permanency extended. There was a considerable portion of it under temporary tenures at the time of the permanent settlement, under jaghire and moccurrey grants. When the decennial settlement was made, which preceded the permanent settlement, pottahs were granted to zemindars and others, not merely for the period of ten years,

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years, but for their lives; so that when the permanent settlement was first introduced it did not extend to the whole of the province, but only to a part of it. From that time to the present, those life and temporary grants have been falling in, and have been resettled. There have been also very considerable resumptions of land under Regulation 2 of 1819; and there are many contingencies by which property is continually lapsing to government. The sale of those different properties which have, from these various causes, become the property of the state, has added considerably to the revenue in Benares. By one letter dated July 1819, the amount in one year from the sale of those estates appears to have been £376,125, settled at a jumma of 21,56. There is another remark which applies to all the provinces, that there are transfers of districts from one province to another; in 1819-20, for example, the district of Azimgur was added to Gazeepoor; and such alterations are frequently occurring.

4002. Is it your opinion that the increase which appears in the land-tax in the district of Benares, from £455,939 in 1810 to £605,809 in 1828, is accounted for by the resumption of lands which had been given away, and by the falling in of lives in the manner you have stated?—I have no doubt that the circumstances I have mentioned account for a great proportion of it; nor do I know any but circumstances of that kind (I do not pretend to have enumerated them in full) which can have operated to produce the effect; because, as far as the permanent settlement was made, and as far as estates once permanently settled remained under the permanent settlement, there can have been no alteration.

4003. What observations have you to make on the increase that has taken place in the other sources of revenue, such as the customs, sayer and abkaree, and stamps?—To a very considerable degree, I have no doubt it has arisen from more accuracy in the collection. It may have arisen in part from increased prosperity in the country. In regard to the customs and town duties, it is rather wonderful that there should not have been a greater increase, considering that Benares is the thoroughfare between the two great portions of India, Upper and Lower.

4004. Do you suppose there has been more accuracy in the collection of Benares where there has been that increase, than in the other districts, where perhaps it will appear that there has been a decrease?—I consider the accuracy in respect to collection to be the same throughout.

4005. What are the nature of those estates which you stated to have been sold in 1819, amounting to jumma annual rent of 21,56?—They were the estates which came into possession of government, and which government disposed of at a certain jumma permanently fixed. In such cases, the jumma which it is supposed the estate can bear is fixed and declared perpetual; the estate is then put up to sale, and disposed of on permanent tenure to the highest bidder.

4006. Are

4006. Are you aware what number of years purchase of net rent payable to the sircar an estate will be sold for?—It is very variable; according to the estimate which the bidders make of the proportion which the jumma bears to the real capabilities of the estate.

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4007. Are you able to state how many years purchase any of those jummas, as settled in 1795, would have been worth?—I cannot, but I have no doubt it appears upon the records.

4008. Does it not appear upon the records, that between the period of the settlement and 1818, and still more between 1818 and the present period, the value has increased to the proprietor?—I should expect that to be the case in Benares, in something of the same proportion as it has increased in Bengal.

4009. To what do you attribute the increased value of the property to the zemindars, if it is not arising from the permanent right they have in the soil?—No doubt it is from the permanent right in the soil that it becomes more valuable to them. Every thing that adds to the value of the property where there is a fixed sum demanded from them, of course adds to what they retain.

4010. Is it not understood that when the settlement was made in 1795, a fair valuation was made at that time of the value of the lands?—As accurate a valuation was made, I have no doubt, as was thought practicable.

4011. If the value has increased since that period, how can you account for the increase otherwise than by an increased cultivation and increased outlay of capital?—I have no doubt there is both.

4012. Can you account for the fact that between the years 1820-21 and 1828-29, the total revenues of the Ceded Territories on the Nerbudda held under temporary settlement have fallen off by above 52 per cent., and that the land-tax has declined from the sum of £543,372 to £303,689 being above 61 per cent.?—I think the question should be confined to the land-tax, because in the other departments it is not accurately determined how far the items have continued the same. To trace in the records the particular causes of this decline of the land revenue, would require much more time than was allowed me. I can only state, referring to the official correspondence upon the subject for minute information, that there was no doubt a very great over estimate of the capabilities of those districts when they first came into our possession, and a jumma was arranged for them which was found above their capabilities. As soon as this was discovered remissions took place, and a corresponding diminution of revenue.

4013. Was not the reduction gradual?—The circumstance of its being gradual corresponds with my remark; for the remissions are made in respect of this village and the other village, or this and the other estate, according as a pressure is found to exist.

4014. Can you account for the fact of the land-tax in the territories ceded

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by the Mahrattas under the Bombay presidency, which in 1820-21 amounted to £1,364,689 having fallen off in 1824-25 to £859,000, of its having risen again in 1827-28 to £1,417,679, and again falling off in the last year given in the public accounts, namely in 1828-29 to £1,156,000, being between fifteen and sixteen per cent. less than it was nine years before?—It appears to me that these fluctuations point very distinctly to their cause. There could have been no such alteration in the mode of collecting or assessing as to account for such extraordinary changes, but there are frequently such differences in the seasons as fully to account for them.

4015. Are you able to state what are the years of scarcity, and whether it is during a year of scarcity that the arrears take place, or during a year of plenty?—As to the years of scarcity, I must refer for a detailed answer to the correspondence. The falling off is the consequence of the year of scarcity, and the return to the former assessment is the consequence of years of plenty; and it is obvious how those fluctuations must appear large, merely as they stand in the accounts, because in adverse seasons large arrears remain, sometimes amounting to a great proportion of what is due from the land; these remain over to the next year. If the next year also is unprosperous there is an addition to the former arrears, and then there are two years in which a decline appears. When prosperous years succeed, not only the ordinary jumma is paid, but a great proportion of arrears of former years is brought up. These appear very prosperous years, and hence it is that in looking at the accounts of revenue derived from the land in a country liable to such fluctuations of productiveness, it is only by observing those of a series of years, and taking the average of a considerable number, that we can judge whether there has been a permanent progress or decline.

4016. Are you aware that in the year 1822-23 there was great abundance of harvest in the southern parts of the Madras territory?—I do not bear that circumstance in my recollection.

4017. Admitting that in the years of scarcity the revenue falls short, do any such fluctuations appear in the permanently settled districts in Bengal?—They happen much less in Bengal in the permanently settled districts, and from obvious causes, the zemindars pay not the whole of the rent of the land, but only a portion of it; and if they are not men of property, they are almost always men of credit, and are able to borrow the money required.

4018. Are you able, from your knowledge of the transactions in those districts, to say, whether a considerable cause of the fluctuations may not have been over-assessment at one time and reduction at another?—I believe that over-assessment is one grand cause of the appearance of those fluctuations.

4019. Then you admit that in the permanently settled territories there is less fluctuation than in the others?—My remark was confined to Bengal; there is actually less fluctuation in Bengal, and it may also be stated that Bengal is less liable to fluctuation of seasons than any other part of India.

4020. Referring

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4020. Referring to the paragraph 146 of the Revenue Letter to Fort St. George which is contained in vol. 1. of Selections, page 547, it appears from that, that the revenue is collected in general as well when crops are scarce as when plentiful; and as an example, it may be mentioned that in the year 1822-23 the revenue of the Nizam was £669,523, in the year 1823-24, which was a year of famine, £816,401, and in the year 1824-25, which was a year of plenty, £529,107?—Observations in regard to famines in the particular years of the famine are to be distrusted; because all the results of them do not appear till subsequent years: but the remark in the letter referred to, if I collected its import correctly, refers to a particular cause: it says that the Board of Revenue expected high prices in consequence of the diminution of produce, and that the Court of Directors thought the people, if that were the case, might be able to pay as easily as in a year of plenty, referring merely to the chance of a rise of prices; but it frequently happens, and has indeed been complained of severely of late years, that along with a great decline in the quantity of produce there has also been a want of markets and a decline of price.

4021. Are you of opinion that those great fluctuations arise from want of capital to purchase, in years of plenty, the corn to retain for years of scarcity as takes place in countries where capital abounds?—This has, no doubt, a very great effect; and the inability of a body of exceedingly poor cultivators to bear the effects of an adverse season, and to make up for the deficiencies of such seasons, either by previous property or by existing credit, is much greater than that of richer cultivators. If rich to a certain degree they would be in the condition of the Bengal zemindars, and able to pay every year.

4022. In that view must not the existence of capital to be applied to that and other purposes have a very beneficial effect in securing equally the quality of revenue in any district?—Assuredly.

4023. Can you account for the fact which appears by returns in the public accounts of the total revenues in the ancient possessions under the Madras presidency, comprehending the whole or nearly the whole of the countries permanently settled, having advanced from 1793 to 1827-28, by above forty per cent., and the land-tax having increased by above twenty-eight per cent. in the same period?—When it is stated that the ancient territories of Madras comprehend the whole, or nearly the whole of the countries permanently settled, there seems to be some inaccuracy. The ancient possessions of Madras comprehend the Jaghire and the Northern Circars. The Northern Circars, or at any rate the principal zemindaries, are permanently settled; but I believe there is hardly any portion of the Jaghire that is now under permanent settlement.

4024. In the greater part of the Madras territory has not the permanent settlement been done away, and ryotwar settlement been substituted for it?—The mootahdary settlement totally failed; there may be a few mootahs

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still remaining in Baramahl, and perhaps in Salem, but with those exceptions I believe there is not one of them in existence.

4025. Then of those countries which are permanently settled, are you able to state how far the increase has taken place?—Of late years I know there has been no increase. I formerly stated that during the seven years preceding 1830 there had been a gradual decline in the Circars.

4026. Do your observations apply to that portion of the ancient territories that is settled, or to the portion not settled?—This applies entirely to what is settled in the Northern Circars, Ganjam, Vizagapatam, Rajahmundry, Masulipatam, and Guntoor. The Jaghire, I believe, is almost wholly under temporary settlements upon the ryotwar plan; introduced gradually as the mootahs fell into the hands of government, by being either sold or relinquished.

4027. How is it to be accounted for that the land tax in the Carnatic, under temporary and periodical settlements, has fallen off 12 per cent. in the nineteen years between the years 1809-10 and 1828-29, whilst the whole revenue has increased only by a small fraction of less than 3 per cent., the sums being thus: In 1810, by this table, the land tax for the Carnatic was £1,176,528 whilst in 1829 it was £1,036,259, whilst the other taxes had increased from £172,560 to £352,860?—In the statement referred to in the question the land tax in the Carnatic in 1810 appears to have been eleven lacs 77,520; in 1818 it was twelve lacs 27,542; and in the two last years, which were years of scarcity, it was ten lacs 7,401 in the one, and ten lacs 36,000 in the other. Now I should not infer from this that there had been any falling off, because I should expect that the return of prosperity would show an increase even exceeding the amount in 1818. To the distress arising in these years from badness of season was added the calamity of the cholera; and along with that an epidemical and destructive disease among the cattle.

4028. How do you account for it that the land-tax of Tanjore, which in 1809-10 was £419,199, had fallen off to £340,626 in 1828-29, being a decrease of about eighteen per cent., whilst the whole revenue has declined in those years only by five or six per cent.?—There have been large remissions in Tanjore in consequence of over-assessment; and the progress of other sources of revenue appears to me to indicate general prosperity.

4029. You have stated that it has been discovered that over-assessment had taken place; do you consider it possible that prosperity should exist in a permanently over-assessed country, considering that so large a portion of the gross produce of the soil is taken?—Every thing depends upon the degree and the duration.

4030. Is not Tanjore a very fertile province?—It is fertile in consequence of being watered by the Cauvery; from which cause it is less subject to fluctuations of seasons than other parts of the Madras territory.

4031. You have stated, that permanent remissions have been made, on its being

being discovered that the land assessment was excessive ; are the Committee to understand also, that in years of scarcity remissions of the actual assessment also have been made?—The mode of dealing with the defalcations of unfavourable years is to allow whatever the ryot cannot pay to stand over as arrears ; and if he cannot pay the next year, to stand over again ; consideration being always had, whether it is a real inability, or whether, which is very frequently the case, it is only feigned.

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4032. In the accounts contained in the Appendix to the Second Report, taking for instance Tanjore, there are sums stated as balances, is that understood to be arrears?—They are arrears ; and after a time, such arrears, when it appears that they cannot be recovered without distress to the ryot, are written off.

4033. Was that excellent rule applied in the Deccan during the years of scarcity?—That practice is universal.

4034. Have you not reason to think that the revenue was in those years very rigorously exacted, and that the ryots in the Deccan have not to this hour recovered the consequences of that severity?—Cases are frequently occurring in which it is discovered that too much rigour has been employed, and they are deeply regretted both by the governments in India and by the authorities at home.

4035. In the territories ceded by Mysore, managed under temporary and periodical settlements, chiefly ryotwar, the land-tax appears to have declined between 1809-10 and 1828-29 between twenty and twenty-one per cent., whilst the other taxes have declined also between twenty-seven and twenty-eight per cent., and the total revenues have fallen off in these nineteen years by a sum exceeding £350,000 or between twenty-three and twenty-four per cent.?—I observe from the table referred to, that in 1810 the land revenue in the provinces referred to was low, and I know that about that period, very material remissions took place in consequence of the discovery of over-assessment, and I observe from the same table, that afterwards the revenue has been progressive.

4036. Is not the diminution on the whole of the land-tax and other taxes correctly stated at about £350,000 a year?—I suppose it is.

4037. Can you account for the fact of the land-tax in the territories ceded by the Nizam, which for a period of between twenty and thirty years have, with the exception of some years under village settlement, been under the ryotwar management, having fallen off between 1809-10 and 1828-29, by the sum of £120,825, being between twenty and twenty-one per cent., and the whole revenue having declined in those nineteen years, by an amount of three or four per cent.?—Those districts suffered materially from the changes of system to which the management of them has been subjected, and are now slowly recovering from that impoverishment.

4038. Can you account for the still more striking fact of the total revenue of

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of the districts of the Nizam having been, when Sir Thomas Munro delivered over charge of them £718,037, its having fallen off two years afterwards, to wit in 1809-10, to £662,841, its having risen in 1823-24 to £816,401, its having dropped off the next year to £529,107 being a decline of thirty-five per cent., and finally, that in 1828-29 it was between ten and eleven per cent. less than it was twenty-one years before?—I see that in 1807-8, the year to which the question alludes, the revenue was, in round numbers, £718,000; in the next seven years there was a considerable decline, the highest of those years not exceeding £685,000; that after those years the revenue again rose nearly to the former amount, and continued at that amount for two years. In the third year there was again a falling off; in the next year there was an increase beyond the first of those years; that increase was nearly kept up in the year after. The following year there was again a decline to £663,000; in the next year a rise; in the next a decline. The next year, namely 1823-24, the revenue was higher than it had ever been before, *viz.* £816,000. In the year after that it fell below what it had ever been before, *viz.* to £529,000; and for the remainder of the years, from 1825 to 1829, it has regularly been low; which I account for by the adversity of seasons, it appearing to me that in the previous years there was no decline.

4039. Is there not still a decrease from the year in which it was delivered over by Sir Thomas Munro?—Yes, but an increase above the year immediately preceding that.

4040. Are those fluctuations to be attributed to the seasons and deficient crops, or is there any general rule that you can lay down for accounting for it?—I should say from an inspection of the column of figures before me, stating the annual receipts from 1806-7 to 1828-29, that there is the strongest evidence of a revenue not declining.

4041. Do you recollect in what year Sir Thomas Munro recommended a reduction to be made in the assessment from twenty to twenty-five per cent.?—I believe it was in 1807-8.

4042. Do you know when that reduction, as recommended by Sir Thomas Munro, was carried into effect?—I should think, from the table before me, it must have been carried into effect immediately, for during the next seven years there was a reduction in the amount of revenue, and after those seven years a rise.

4043. Are you aware that Sir Thomas Munro only carried that reduction into effect a few years before he died?—I believe that it was in the course of being carried into effect the whole of the time that he had any authority.

4044. Do you not know that in point of fact, until a very short period before his death, it was not carried into effect?—If it is meant that it was not universally carried into effect, I am unable to answer the question; that a great deal had been done towards it I am sure.

4045. It appears that in section 39 of the 24th of Geo. 3, c. 25, it is stated,

stated, "And whereas complaints have prevailed that divers rajahs, zemindars, polygars, talookdars, and other native landholders within the British territories in India, have been unjustly deprived of or compelled to abandon and relinquish their respective lands and jurisdictions," and required to pay so and so; and it concludes by "for effectually redressing in such manner as shall be consistent with justice and the laws and customs of the country, all injuries and wrongs which the said rajahs, zemindars, polygars, talookdars, and other native landholders may have sustained unjustly in the manner aforesaid, and for settling and establishing, upon principles of moderation and justice, according to the laws and constitution of India, the permanent rules by which their respective tributes, rents, and services shall be in future rendered and paid to the said United Company by the said rajahs, zemindars, polygars, talookdars, and other native landholders." Do you understand that clause of that Act to have enforced a permanent settlement of revenue?—If I understand the purport of the clause which has now been read, it has nothing to do with the permanent settlement; it merely ordains that such rights as actually belonged by the law of India to various parties named should be secured to them.

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4046. You do not think it applies to a permanent settlement of the revenue?—Decidedly not.

4047. From the moment Sir Thomas Munro became governor of the Madras presidency, was not it his great object to inquire into the state of the revenue, and to continue reducing where reduction was wanted?—It was the anxious and unceasing endeavour of the Madras government to discover where the assessment was onerous, and not of the Madras government only, but of all the governments in India; there is no one thing about which they are more anxious, or which they understand more distinctly to be essential to their interests.

4048. It appears that in 1809-10, the land-tax of the Conquered Provinces under the Bengal presidency was no more than £1,189,843, in 1817-18 it rose to £1,397,285, and in 1827-28 it rose to £2,046,652, being an increase of £649,367, and considering that there was a decline in the subsequent year, or 1828-29, of above £43,000, can you account for that extraordinary change?—The increase, the regular increase, which took place in those provinces, I have no doubt was owing to the causes I have assigned for a similar increase in Benares. Originally a portion only of the territory was permanently settled; another portion of it remained under temporary settlement, and has been gradually sold and added to the permanent settlement since. Observing the table before me, I see that in 1809-10 the revenue is £1,378,348; for several years, till 1825-26, it continued nearly stationary, and in the year 1826-27 there was an increase of not much less than £500,000.

4049. How did that arise?—I suppose that there was a very great annexation to the permanently settled portion during that year; from which year onward, it appears to have continued stationary.

4050. Does

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4050. Does that same revenue continue now by the last accounts?—This table is made up to the latest accounts we have, and there is no reduction.

4051. Comparing the extraordinary increase which has taken place in the revenue of all the countries permanently settled, with the decline which, with a solitary exception, has taken place in all those parts in which temporary and periodical settlements, and above all ryotwar settlements prevail; does this fact not throw some doubt over the supposed advantages of temporary settlements?—The remark which I made at the beginning of this day's examination appears to me to be a reply to this question. What is assumed in the preamble of the question I do not altogether admit; because I should say that a continued increase is only exemplified in Bengal and Benares. I do not admit that there is this increase in the permanently settled districts at Madras. In Bengal the increase has arisen mainly from salt and opium; and when it is considered that Bengal is not only the most fertile portion of India by many degrees, but one of the most fertile places on the face of the earth, under circumstances peculiarly favourable from the regularity of the irrigation; when it is farther considered that the land revenue, speaking in round numbers, is in the Lower and permanently settled Provinces three millions, and that in the Upper Provinces it is also three millions; considering, in the next place, that Bengal enjoys the great advantages of a navigable river running through the heart of it; considering above all, that the population of Bengal is double the amount of that of the Upper Provinces, the small amount of comparative financial prosperity which it exhibits appears to me one of the strongest proofs which can be adduced, that it is under some very pernicious system of management.

4052. Are you not aware that, previously to the permanent settlement in Bengal, notwithstanding the fertility and all the advantages which that country possessed, the revenue had decreased, and poverty had also increased throughout that district?—I have not the particulars of the years previous to the permanent settlement in my recollection, but there had been great fluctuations in the state of the government, and the country had been a scene of war and desolation previous to our obtaining possession.

4053. The question alludes to the period from the time when we acquired it up to the permanent settlement in 1793, whether during that period, notwithstanding the advantages you have stated, the country was not retrograding?—I have not the evidence to that point in my recollection.

4054. Are you aware whether Lord Cornwallis states that fact in his despatches to the Court of Directors?—It is very likely he does; I do not dispute the fact.

4055. The same fertility existing, but a different management, the one being a permanent settlement and the other a fluctuating settlement, do you not think a fair conclusion may be drawn that the former of those has tended to promote the prosperity which now exists in Bengal?—I should not draw that conclusion. Among the circumstances which then prevented prosperity may

may be mentioned one which occurs to me as likely to have had a great effect, that during the years antecedent to the permanent settlement there was no administration of justice, nothing which deserves that name; whereas a great deal has been done to provide an accurate administration of justice since that period.

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4056. Do you now state that there is an efficient court of justice, where the ryots can obtain decisions on any of their claims at the present time in Bengal?—I believe there are great defects in the administration of justice in Bengal, as there are everywhere else, but I believe also there are great virtues.

4057. Can you state the amount of arrears at the present existing in Burdwan or any of the other districts under the Bengal presidency?—I cannot.

4058. Have you any doubt that many thousand arrears exist?—I have no doubt there are great arrears.

4059. Have you any doubt that ryots generally, in preferring complaints against their zemindars, cannot expect to have their causes decided, or justice awarded, for years?—I believe there is delay and other impediments, such as to interfere greatly with the protection of the poor men, to be nearly a denial of justice to the ryots, from which, in combination with other causes, the condition of the ryots I believe to be most wretched.

4060. Is not that at variance with what you have just stated as a cause of increased prosperity in Bengal, namely, a more efficient system of justice than formerly existed?—There is justice to those who are able to pay for it; and that is something of vast importance towards the increase of capital and prosperity; though such increase would have been far greater if there had been a protection from law to every body.

4061. Speaking generally, is it your opinion that the ryots have anything like a chance of justice in their applications to the courts, taking into account the fees and the delay attendant on every application?—I believe that the difficulty of access to justice on the part of the ryots, as on that of the poor man every where else, amounts to almost a denial of justice.

4062. To what cause are you disposed to ascribe it, that the total revenues of Madras in the nineteen years from 1809-10 to 1827-28, (the amount of territory being nearly the same) have fallen off from £5,515,187 to £5,338,637, or a decrease to the amount of £176,550, while in the same period the total revenues of Bengal, deducting those of the ceded territory on the Nerbudda, have advanced from £10,282,917 to £14,413,688, or an augmentation by the sum of £4,130,763. To what cause do you ascribe that increase in the one and decrease in the other?—I observe that the total revenues of Madras in 1809-10 amount to £5,515,187. I observe also, that, in the last year that can be accounted for, 1828-29, it amounts to £5,576,000, which appears to me to be a very slight difference. I should say that by the

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column of figures before me, including the intermediate years, there is evidence of great steadiness. With regard to Bengal, I have accounted for a considerable proportion of the increase from the circumstances of Benares and the Conquered Provinces. When the revenue derived from opium, which is paid by foreigners, and the increase from the salt monopoly, a great proportion of which is owing to the prevention of smuggling, are added to the advance of the land revenue of Benares and the conquered territories, springing from causes having little or no connection with any prosperity in the country, the increase of revenue in Bengal, not thus accounted for, will, I think, appear surprising for its minuteness, not for its magnitude.

4063. In what does the opium differ from the advantages of foreign trade?—The two cases are radically different; from the circumstance of your imposing a monopoly price, you obtain from foreigners a tax analagous to that from salt, which you raise upon your own people.

4064. You are probably aware of a statement respecting salt-revenues presented not long ago by Mr. Tucker to the Court of Directors. Do you recollect what Mr. Tucker says respecting salt?—Not particularly.

4065. Are you aware that he considers that smuggling exists as much now as it did at the period referred to in the question?—That there is smuggling I have no doubt, but that it continues in anything like the same degree I do not believe.

4066. In any increase that may have taken place, are the Committee to understand that the five years leases that were granted have been renewed without any increase whatever to the charge?—Always.

4067. Do you believe that the whole increase of salt is owing to the prevention of smuggling, or that a very considerable portion of it has arisen from the increased capability of the population to consume salt?—I have no doubt that a portion of it, how great a portion I cannot say, arises from the increased amount of population, which is very considerable.

4068. Does not the increased productiveness of other taxes besides those of the land in Bengal, as compared with other districts subject to the temporary settlements, afford a fair conclusion that the inhabitants are in such a condition as to be better able to pay than they are in the unsettled districts?—If the bulk of the people are meant, I should say not; it would, I think, be very dangerous to build upon any such conclusion. In proof of this I may appeal to Ireland; the progress of revenue has been very great in Ireland, and there is no portion perhaps of the British empire which has exhibited more rapid improvement in all the sources of wealth than Ireland; but I should not think it safe to infer from this that the population of Ireland has increased in felicity or in wealth, individually taken.

4069. Or in numbers?—In numbers greatly.

4070. You are aware that a very considerable increase of price, to the amount

amount of fifty-three per cent. has been laid upon salt since 1798; do you consider that that is likely to have prevented smuggling?—Certainly not.

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4071. Has it not rather tended to promote smuggling?—Certainly; and when I alluded to the prevention of smuggling, I stated my opinion, that means had been found sufficient to counteract that, as well as all other inducements to smugglers.

4072. Are you aware that notwithstanding all the precautions that have been taken, an estimate has been formed by most experienced persons, that nearly one-third of the whole amount of salt now used in Bengal is smuggled?—What may be the amount I cannot say, my answer went to the degree; if one-third is now smuggled, I should say that more than one-half had been smuggled before.

4073. Do you recollect whether the reduction of the duty of salt made at Madras during the government of Mr. Elliot, had the effect of reducing the price to the consumers?—There has been considerable controversy upon that subject, and diversity of opinion, some persons holding that the dealers contrived by combination to keep up the price; that however has been disputed; and the truth probably is, that the dealers have been able to make an artificially high price in some places and unable to do so in others.

4074. Has the duty on salt that was taken off been laid on again?—It has.

4075. Has it or has it not had the effect of raising the price to the consumers in the interior?—It has been so recently imposed that we have no evidence upon that subject.

4076. You have stated that in general the revenue raised from opium in 1823 was collected from foreigners; was not the revenue raised in 1793 from opium equally collected from foreigners?—No doubt.

4077. It appears from the accounts laid before the Committee, that the expense of collecting the land revenue in Bengal, Behar and Orissa in 1827-28, was no more than 6.374 per cent. and in Benares 6.438 per cent. while in the ceded territories and from Oude in the same year it was 9.354 per cent., and in the conquered 10.614 per cent. Is this difference to be accounted for by the greater cheapness of collecting a fixed revenue under the perpetual settlement and the greater expensiveness of collecting a temporary one under periodical settlements, or is there any other mode of explaining it?—That circumstance is perfectly sufficient to account for it; a collection in detail, and a summary collection require very different degrees of expense, but when the facility and cheapness of collecting from the zemindars are adduced, there ought also to be taken into account, not only the original ten per cent. granted to them, bringing up the cost of collecting to sixteen per cent., but all the addition made by circumstances to the value of this tenth since the period of the settlement, making it in many instances equivalent to two tenths, and in some to three or four.

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4078. It appears from the same accounts that the expense of collecting the land revenue in the ancient possessions of Madras, a considerable part of which is under permanent settlements, was 10.201 per cent., while in Tanjore, under village settlements, it was 12.766 per cent. In the Ceded and Conquered Provinces of Mysore in the Carnatic, and in the provinces ceded by the Nizam, it was respectively as high as fifteen per cent. 531, seventeen per cent. 321, and seventeen per cent. 326. Does the disproportion in this case arise from a village settlement being necessarily more expensive than a permanent one, and a ryotwar more expensive than either, or is there any other mode of accounting for it?—The more any assessment is in detail, the more undoubtedly appears to be the expense of collection; but in whatever degree the collection on account of government may be summary, still the collection in detail must be performed, and they who perform it must be remunerated. If it is done by the head man of a village, there are allowances to him for his expenses; if by the zemindar there are the larger allowances I have previously mentioned. But there is another circumstance which it is necessary to take into account in drawing any conclusion from what stands in the accounts under the head of charges of collection, that in those charges are included a great many items, distinct from the mere cost of collection, various payments made immediately out of the collector's treasury, in fact, local expenses in general. I have in my hand a paper which exhibits a specimen of these charges. Under the Madras presidency in the year 1828-29 there was paid by the several collectors one lac 86,000 rupees for repairs of roads and bridges, and the building of bungalows; the whole of the charges of the judicial department, and the provincial police, amounting to twenty-five lacs 92,540; payments on account of interest; the ecclesiastical department and others, 80,000 rupees; advances to the military department to the amount of seventy-nine lacs and 80 000 rupees; marine payments 40,000 rupees; pensions and charitable allowances eight lacs 56,147.

4079. Do all those come under the head of charges?—They come under the head of charges where they are paid from the local collections.

4080. In the collection of a great amount of revenue, must not the difference in the resources between two districts, and the difference of the extent and density of the population, necessarily cause a great difference in the per-centage and the expense of collection?—Most certainly.

4081. In applying that consideration to the Bengal presidency, would not that of itself cause a very material difference in the expense of collection between the Lower Provinces and the Upper?—No doubt; and I should have proceeded, after my former observation relating to the various items included under the head of charges, to specify this with other circumstances, which tend to swell the amount of what appears the cost of collection. The whole of the expense of surveys, I imagine, is included.

4082. If that is the case, must not the whole of the accounts laid before the
the

the Committee be inaccurate?—There would only not be so perfect a separation of the various items as would enable you to judge with precision what is really the cost of collection; and what is not; but in being what they are, the accounts are not incorrect.

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4083. It appears from the same accounts, that in the year 1818-19, before the subsidy from the Peishwa was comprised in the land revenue of the ancient possessions of Bombay, and through which there is afterwards an apparent diminution of expense, the charges of collection amounted to 22.13 per cent. To what cause is it to be attributed that the land-tax in this part of India is so extravagant in the collection?—I have no doubt that very considerable items are included under this head, over and above the mere expense of collection; the charge, for example, of the very minute and expensive surveys that were carried on in various parts of the Bombay territory.

4084. Do not you conceive that the expense of management must necessarily be much greater in a wild and barren country, where the inhabitants are from the nature of the country not under complete subjection, while its revenues are much less than in a settled fertile province?—Certainly much greater; and there is also another remark of importance, which is, that in all detailed settlements the great cost is in the beginning, because the difficulty consists in ascertaining the value and extent of each man's possession.

Jovis, 25^o die Augusti, 1831.

JAMES MILL, Esq. again called in, and examined.

4085. UPON your last examination some questions were put with regard to the per-centage of expense of collection. There appear several discrepancies in that account, as compared with any calculation it appears possible to form upon that subject. Taking for example the charges of collection made on the gross revenue of Bengal, Behar, and Orissa, in the year 1827-28, supposing the whole of those charges were taken as a per-centage upon the revenue, the amount, according to a calculation which has been made, would be 17.20; supposing the mere charges of collection on the gross revenue were taken, deducting the other items which appear in the account of the Second Report, the charges are 5.33 per cent. instead of 6.374 as stated in that table. Will you have the goodness to explain in what way the Committee are to understand the tables which have been presented to them?—I am not conversant with those accounts, and cannot tell how they are to understand them.

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4086. What

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4086. What would you propose as the best mode by which the Committee can arrive at the knowledge of that?—I should think that the officer at the India House under whose superintendence the accounts are made, would be capable of giving all the information required, and of having the account made up upon any principle the Committee may direct.

4087. In the accounts laid before the Committee, it appears that the charges of collecting the land revenue in the ceded territories in the Nerbudda under temporary settlements in 1827-28, amounted to 15.106 decimals per cent. to what circumstance are you disposed to ascribe the weight of charge in this case?—I can only give a general answer to that question. What I stated in answer to a question put to me the last day I was here, contained in substance the account of a considerable portion of this charge. A country which had been the theatre of warlike operations, and recently under a very rude and oppressive government, could not fail to be in very disordered circumstances, requiring great minuteness of inquiry, and wherever great minuteness of inquiry is necessary, a corresponding expense is unavoidable. This remark is applicable to all those territories which have newly passed into our possession, and been received in circumstances requiring very minute inquiry; and there is another thing which deserves the greatest attention common to all, those cases in which a settlement very much in detail has been undertaken. The great expense of a settlement in detail applies to the commencement, and is only temporary. It is at the commencement of settlements in detail, and only at the commencement, that the laborious and minute, and consequently expensive inquiry which they occasion is necessary. When the capabilities and extent of the land in each village, and each man's possession are accurately ascertained, and also the amount which he has to pay, and when pottah's leases of a certain duration are granted, the causes of expense are removed, and the charge of collecting revenue under ryotwar settlements will then be small; it will hardly be necessary that there should be more expense under a settlement in detail than a zemindary settlement.

4088. When did those provinces come into our possession?—It was subsequently to the last Mahratta war.

4089. What is the settlement in those provinces?—It is a village settlement, but with minute inquiry into the circumstances of the ryots.

4090. Have leases in that case been granted in those villages?—I think that the same system of quinquennial leases obtain in those territories as in the Upper Provinces.

4091. In the same accounts, it appears that the charges of collecting the land revenue in the possessions ceded by and conquered from the Mahrattas, under the Bombay presidency, amounted in 1827-28 to 31.38 per cent., including stipends and pensions chargeable on the land revenue; to what do you ascribe the enormous weight of this charge; can you describe the nature of the pensions and stipends mentioned, and are any of them of the nature of malikhana, or other allowances paid to zemindars, deishmooks, deishpandies

deishpandies or village officers?—There can be no doubt that malikhana is included, and allowances to the descriptions of persons mentioned in the question, as well as others.

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4092. Will you state what malikhana is?—Malikhana is a per-centage on the revenue allowed to parties who appear to have been hereditary engagers with the government for the revenue, when they are deprived of the engagement. The ten per cent. which was allowed to the zemindars of Bengal, was of the nature of malikhana previous to the permanent settlement, when allowed them if temporarily deprived of the management of their zemindaries; and in the Upper Provinces, wherever a mocuddum or head of a village proves that he and his family have been in the habit of collecting the revenue for a certain length of time, in other words have enjoyed it as a species of hereditary office, he obtains (if he is put out of the office, or if on account of the weight of assessment he declines to engage), malikhana, which is such a per-centage on the collections as accords with the custom of the district, different in different places.

4093. Is malikhana allowed at the present moment in collecting the revenue?—The individuals engaged are supposed to be sufficiently paid in the terms of their engagements. Malikhana is an allowance to those who have a legal claim to hold the office when they do not hold it.

4094. To what cause is to be ascribed the progressive rise that has taken place in the collection of the land revenue in Bengal, Behar, Orissa, and Benares; and in respect to the first, is it in any manner to be attributed to the incorporation with them of the province of Cuttack?—There is no doubt that the province of Cuttack has contributed to the increase of the rate, because Cuttack has been settled pretty much in detail; and being a new country, in circumstances corresponding with those of other new countries, in much disorder, the same minuteness of inquiry was indispensable. Another source of the increase of expense in Bengal and Benares has been Regulation II, of 1819, which established rules for the resumption of rent-free lands, lands evading the government assessment without a valid title. The collectors, to carry those rules into effect, required additional establishments. In some cases expense has been increased by dividing a large collectorate into two; the judicial and police duties, recently assigned to collectors, have rendered additions to their establishments necessary, and in general there is more minuteness, and hence need of more assistance in the mode of performing the collector's duties.

4095. To what circumstances do you ascribe the progressive and striking increase which has taken place in the expense of the collection of the land revenue, under every mode of settlement within the Madras presidency since the year 1809-10, and more particularly since the year 1821-22?—I believe that a great proportion of this increase has arisen from a growing conviction, that the establishments were unequal to the duties which they had to perform. To afford that protection to the ryots, which cannot be afforded

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afforded without accurate inquiry into the circumstances of each, and the state of his land, and without minute supervision of the different agents employed in that difficult work, an increase of agency was necessary.

4096. Do you conceive that that increase of agency has been attended with the effects that you have described as contemplated?—In some degree I have no doubt it has. The evidence is scattered through many volumes, and it requires years before the effects of new circumstances appear very distinctly, and before you can pronounce with certainty how much of real advantage has arisen from them.

4097. The increase appears in the ancient possessions to be from 4.235 decimals to 10.210 decimals. In the Carnatic it was from 6.872 to 17.321. In Tanjore it was from 5.572 to 12.766. In the Ceded and Conquered Provinces from 7.5 to 15.531. In the provinces ceded by the Nizam from 8.113 to 17.726?—Those differences are so great as to indicate different systems of management. The same remark in regard to increase of establishments caused by the minuteness of the inquiries, and the superintendence, made in reply to the former question, applies also to this.

4098. To what circumstances do you ascribe the progressive and vast increase which has taken place in the collection of the land revenue, under the presidency of Bombay, from 1809-10 to 1827-28?—My suspicion is, that the same items are not included in those two different accounts. A great difference has been occasioned by the circumstances I have already so often mentioned; the extensive and minute inquiries which have been carried on, and increase of establishments thence required. I suspect that in the cost of the latter years the expense of surveying is included.

4099. The accounts quoted in the question are taken from the same table, and made up at the same time, how can there therefore be that comparative difference?—I cannot account for it.

4100. How do you account for the rise that has taken place in the charges of collection of the customs for Bengal, Bahar, Orissa and Benares, from 10 and 13 per cent. in 1809-10 to 17 and 16 per cent. in 1827-28?—The general cause to be assigned is that increase of establishments which has been found necessary for the better conducting of the business; for the prevention of illicit trade and the evasions of the duty.

4101. How do you account for the rise which has taken place in the charge of collecting the customs, and the extraordinary fluctuations in those charges, which the accounts exhibit from 1809-10 to 1827-28 in the ceded territories in Oude, and do you not consider a tax collected at a charge of 27 per cent. as in 1827-28, (implying that for every pound sterling taken out of the pockets of the people, no more than 14s. 7d. finds its way into the treasury) such a one as ought not to exist, either in India or any other country?—Of the particular causes of the increase I cannot give a minute account. I can only state such general considerations as I have stated before, with respect to the impropriety of any tax being collected at so great a charge.

a charge. It may be remarked in general, that although the cost of realizing any species of impost is a proper objection to it, and a reason for avoiding it if a better can be found, it must be obvious to every person who reflects upon the circumstances of India, that there is hardly any tax which can be raised at a small expense in such a country. The raising a revenue must always be costly in a country where the population is very poor, and spread over a great extent of country. When a great revenue is to be collected from a great extent of country in very minute sums, from a great number of people, it is perfectly obvious that a cheap collection is impossible.

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4102. In the year 1814-15 it appears from the same Account that the charge of collection upon the customs in the Ceded Territory was only 11. Can you explain why there was that falling off in the charge of that year?—I think it is necessary, in order to know what are the fluctuations, to look at the series of years in continuation, because very often the apparent differences are only a matter of account. It often happens that the same items are not brought to account in one year which have been in the preceding; if there are debits or credits which cannot be brought to account in a particular month, they are transferred to the following year. The customs have been regularly progressive.

4103. While the charges of collecting the customs in Bengal have been for the most part greatly augmented, to what cause is it to be ascribed that they have been greatly reduced of late years under the Madras presidency; and is any part of this reduction, whether it be real or apparent, to be ascribed to the introduction of the farming system, as far as respects the land customs?—I believe that the apparent reduction is entirely owing to the system of farming; it is so ascribed by the Madras government, who had recourse to the farming system on account of the great expense of collecting by the officers of government.

4104. Are you aware of the effects that have been produced by the farming system, as compared with the other mode?—The period has not been long enough to afford complete evidence. The apprehension on the part of the home authorities was, that in the collection of those customs, there might be room for abuse and extortion on the part of the farmers, and instructions were addressed to the government, to make sure in the first instance that the payments were so definite, and the determination of them so clear, that every man upon whom an overcharge was made should be aware that he was overcharged. The Madras government have reported that such care has been taken, and that generally the system had given great satisfaction to the mercantile community, and the people generally; that so far from any complaint there had been declared satisfaction. So far we have evidence.

4105. When did the farming system first begin?—Some years ago.

4106. Do you not imagine that there is a considerable degree of extortion practised under that system?—That was the apprehension at home when the

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proposal was originally made, but the apprehension is found not to be well founded according to the testimony of the government at Madras.

4107. Previous to the year 1817-18 the charges of collecting the customs in the possessions ceded by the Guicowar ranged from 24 to 39 per cent., and being reduced in subsequent years only in consequence, as stated in the accounts, of the incorporation of certain subsidies paid by the Guicowar, to what is the enormous weight of charge in this case to be ascribed; and is not a tax collected at such an expense liable, and in a still higher degree, to the objections stated in regard to the customs in the ceded territory from Oude?—The degree in which this high charge exceeds the rate of other places must be accounted for from peculiar circumstances, which it would require a very minute inquiry to extract from the records; and I am not prepared to state them. I have no doubt that a very considerable portion of what is here mentioned as charge of collection, is not really charge of collection. The amount collected is not large, and it is one of the unhappy circumstances attending the collection of customs, both inland and sea, that you need the same amount of establishment, and pretty nearly the same cost for collecting a small revenue as for collecting a large; and wherever the return is not great a large per-centage of course is unavoidable.

4108. To what cause is to be ascribed the advance in the charge of collecting the revenue derived from the salt monopoly in Bengal from 10.195 per cent. in 1809-10 to 13.924 per cent. in 1827-28?—There have been large increase of establishments for the prevention of illicit traffic, and there have been in some cases increase in the cost of production, additional payments to the molungees, and an increasing expense of fuel.

4109. The charges of collecting the revenue derived from the salt monopoly under the Bengal presidency are stated for the year 1827-28 at 13.924 per cent., is not this charge erroneously calculated, by including the outlay on account of the prime cost of the salt, the mere instrument of taxation, among the receipts, and excluding it from the expenses, and with this correction is not the real expense 16.476 per cent.?—I doubt the correctness of the inference of 16.476 per cent., because I cannot understand how, if in the 13 per cent. 924 there is an item included that ought not to be included, and that is taken out, the taking out of an item should not decrease the amount. If the payments to the molungees are not included in the 13 per cent. and they are added, no doubt it will make a difference.

4110. In the year 1827-28 the charge of collecting the revenue derived from the salt monopoly in the ancient possessions under the Madras presidency was 19.196 per cent.; to what is to be ascribed the greater expensiveness of collecting this branch of revenue under the Madras than under the Bengal presidency?—The difference of system pursued in the two presidencies will account, I think, for the greater part of this difference. The Bengal salt is all collected in the government warehouses, either at Calcutta or in the neighbourhood of the manufactory, and brought to public sale at
twelve

twelve times in the year. The mode of disposing of it at Madras is to collect it in golahs (warehouses). It is carried to the government golahs in the different districts, and sold in retail at a fixed price from those golahs. Of course a larger establishment for so much detail is required.

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4111. How is the Madras presidency supplied with salt?—It is supplied with salt of their own making, the salt on the coast is chiefly made by solar evaporation.

4112. Is there not an import of salt from Madras into Bengal?—There is, and the home authorities have pressed strongly, for a series of years, upon the Bengal government, the expediency of taking a larger supply from Madras than they have been disposed to do; the Madras government thinking it would afford accommodation to the corn trade, supplies of rice being required for the Madras presidency from Bengal, and corn being frequently carried from Bengal to Madras, without a return cargo, which the salt would afford.

4113. Is not the salt more easily produced in Madras than in Bengal?—There is difference of opinion upon that subject; it is on one side alleged, that Madras can afford it cheaper than the Bengal government can make it: the Bengal government dispute this, and have urged a variety of reasons why their receiving a great part of their supply from Madras would not suit them; accordingly a very moderate portion of what they need has been obtained from Madras, and rather in an unfavourable manner, because the same quantity has not been demanded from year to year, and the Madras government has effected the supply in a less perfect manner than they otherwise would have done, from the suddenness of the calls, and not having regular preparation.

4114. Supposing there was no monopoly on the part of the government in salt, are you not of opinion, that the regular course of trade in India would be an export of salt from Madras to Bengal, and an import of rice into Madras from Bengal?—I believe that would be the case to a great extent.

4115. Supposing salt to be more easily produced under the Madras presidency than in Bengal, how happens it that the charge of collection should be greater under the Madras presidency than under the Bengal presidency?—From the circumstance I have mentioned, the greater charge of collection is the charge of retailing.

4116. Would it not be possible to adopt the same principle of sale under the Bengal presidency, that exists under the Madras presidency?—Not only would it be possible, but it has appeared to the home authorities an experiment which it would be desirable to make, instead of periodical sales, that the salt should be distributed from the government golahs at a fixed price in any quantity. At present the article being brought to public sale at twelve times in the year, and the merchants and opulent people in Calcutta being the

No. 4.—ESTIMATE of the TERRITORIAL REVENUES and CHARGES of India, under their respective Heads, upon which the Estimate under each Head is formed, and showing how the

| R E V E N U E S. | | | | | | | |
|---|------------|-----------|-----------|---------|-----------------|----------|--------------|
| | BENGAL. | MADRAS. | BOMBAY. | PENANG. | SINGA- PORE. | MALACCA. | TOTAL. |
| | £. | £. | £. | £. | £. | £. | £. |
| Mints | 30,160 | 2,183 | 4,140 | — | — | — | 36,483 |
| Post-Office | 87,232 | 32,665 | 12,668 | — | — | — | 132,565 |
| Stamps | 332,223 | 52,869 | 39,600 | — | — | — | 424,692 |
| Judicial | 87,696 | 15,803 | 11,171 | — | — | — | 114,670 |
| Land Revenue | 8,320,680 | 3,851,402 | 2,098,676 | 24,615 | 12,668 | 6,619 | 14,314,660 |
| Customs | 785,320 | 590,726 | 461,081 | — | — | — | 1,837,127 |
| Ceded Territory | 569,676 | — | — | — | — | — | 569,676 |
| Burmese Cessions ... | 103,240 | — | — | — | — | — | 103,240 |
| Salt | 1,931,400 | 469,530 | 20,689 | — | — | — | 2,421,619 |
| Opium | 1,757,400 | — | — | — | — | — | 1,757,400 |
| Marine | 35,380 | 7,500 | 18,889 | — | — | — | 61,769 |
| Ava Indemnification .. | 92,220 | — | — | — | — | — | 92,220 |
| Bhurtpore | 34,800 | — | — | — | — | — | 34,800 |
| Subsidies | — | 392,355 | — | — | — | — | 392,355 |
| Bank Profits | — | 8,640 | — | — | — | — | 8,640 |
| £ | 14,167,427 | 5,423,673 | 2,666,914 | 24,615 | 12,668 | 6,619 | 22,301,916 |
| Deduct, | | | | | | | |
| Amount in which it is calculated the several collectors have over-estimated the total receipts, arising chiefly from their having drawn too favourable a view of the resources from land revenues, owing to the circumstances described in the governor's minute, dated 12th November 1829, and noticed by the Court in their review of the Bombay finances for the years 1827-28 and 1828-29 | | | | | | | 247,500 |
| £ | | | | | | | 2,419,414 |
| TOTAL ESTIMATED REVENUES in INDIA 1829-30 | | | | | | | £ 22,054,416 |

The foregoing Estimates are grounded on Estimates and Accounts received from India, so far as respects the Revenues and Charges incurred abroad; and upon actual payments, so far as respects the Home Charges.

The rate of exchange observed in this Account is that fixed by the Board of Commissioners for the affairs of India.

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the principal buyers, and not very numerous, it has been apprehended that by laying their heads together they are able to establish a species of sub-monopoly in their own favour.

4117. Will that part of the correspondence which relates to the Madras and the Bengal salt appear in the additional revenue selections?—It will.

4118. Does not one of the great causes of the increased charge upon the collection of revenue upon salt in the Madras presidency, arise from the necessity of taking great means to prevent smuggling, on account of the formation of salt upon the rocks themselves?—No doubt; there is a more extensive line to protect, and one of the expedients which the Bengal government has had recourse to for decreasing the preventive cost, has been to confine the manufacture to a limited district; establishing a line of salt chokees around it, and allowing the article, after passing those chokees, to proceed in every direction without further inquiry.

4119. Beyond the limits you describe, is there not a positive destruction of the salt which forms by solar evaporation?—It is not allowed to be produced anywhere but on account of government.

4120. What would you think of admitting salt from all countries into all parts of India, paying a customs duty, and imposing an excise duty on the salt of local production as a finance measure?—That system has been recently adopted at Bombay; government have ceased to manufacture salt on their own account, and the mode of collecting the revenue is by an excise duty upon what is delivered from those manufactories, and an equivalent duty upon what is imported.

4121. Between the years 1809-10 and 1827-28, the charge of collecting the salt revenue in the provinces ceded by and conquered from Mysore, are on the average of the whole nineteen years 38.451 per cent. Is not a tax which for every pound sterling taken out of the pockets of the people, yields to the treasury but 12s. 4d., an impolitic and pernicious impost; and does not a fall in the value amount of the sales from £65,509 in 1810-11, to £46,139 in 1827-28, or a decrease of 29.263 per cent., further corroborate this view of it?—As those are districts in the interior, at a distance from the place of manufacture, the cost is increased, and the charge is great in proportion to the return, on account of the smallness of the quantity sold, on the same principle that the profits of a retail shop in a small town are high.

4122. One part of the question relates to the falling off of the salt revenue in that district, from £65,509 in 1810-11, to £46,139 in 1827-28; can you explain the cause of that decline?—For a particular statement I must refer to the correspondence; my memory does not retain the details.

4123. It appears that the revenue derived from salt at Bombay in the year 1827-28 was £19,936; what was the amount of charge on this branch of the public resources?—It does not appear, and I cannot answer the question.

4124. Was

whether payable in India or in England, for the Year 1829-30; with a Statement of the grounds Surplus of such Revenues (if any) has been applied, or the Deficiency provided for.

CHARGES.

| | BENGAL. | MADRAS. | BOMBAY. | PENANG. | SINCA- PORE. | MALACCA. | TOTAL. |
|---|------------|-----------|-----------|---------|-----------------|----------|------------|
| | £. | £. | £. | £. | £. | £. | £. |
| Civil Charges | 857,124 | 289,859 | 506,801 | 77,049 | 28,196 | 22,142 | 1,781,171 |
| Provincial Battalions, and in the Western Provinces | 132,124 | — | — | — | — | — | 132,124 |
| Mints | 53,476 | 21,942 | 5,350 | — | — | — | 80,768 |
| Post-Office | 81,780 | 29,223 | 17,944 | — | — | — | 128,947 |
| Stamps | 74,240 | 10,802 | 20,632 | — | — | — | 105,674 |
| Judicial | 1,037,156 | 376,756 | 280,996 | — | — | — | 1,694,908 |
| Land Revenue | 1,512,756 | 1,107,864 | 703,305 | — | — | — | 3,323,925 |
| Customs | 119,131 | 46,476 | 31,309 | — | — | — | 196,916 |
| Ceded Territory .. | 145,696 | — | — | — | — | — | 145,696 |
| Burmese Cessions .. | 41,760 | — | — | — | — | — | 41,760 |
| Salt | 527,800 | 79,891 | — | — | — | — | 607,691 |
| Opium | 666,420 | — | — | — | — | — | 666,420 |
| Marine | 123,626 | 22,441 | 193,343 | — | — | — | 339,410 |
| Petty Claims on Car- natic | — | 24,000 | — | — | — | — | 24,000 |
| Buildings and Repairs | 319,928 | 48,825 | 134,134 | 5,220 | 5,742 | 2,352 | 516,201 |
| Military | 4,100,330 | 3,222,230 | 1,758,679 | 17,735 | 2,401 | 1,716 | 9,103,091 |
| Interest on Debts .. | 9,793,347 | 5,280,309 | 3,652,493 | 100,004 | 36,339 | 26,210 | 18,888,702 |
| | 1,914,000 | 204,696 | 20,317 | 104 | — | — | 2,139,117 |
| TOTAL CHARGES, including Interest } £ | 11,707,347 | 5,485,005 | 3,672,810 | 100,108 | 36,339 | 26,210 | 21,027,819 |
| Expense of ST. HELENA | | | | | | | 93,004 |
| POLITICAL CHARGES incurred in ENGLAND, including Invoice Amount of Stores consigned to India | | | | | | | 1,742,162 |
| GRAND TOTAL of CHARGES | | | | | | | 22,862,985 |
| Deduct REVENUES | | | | | | | 22,054,416 |
| ESTIMATED SURPLUS CHARGE in 1829-30 | | | | | | | £ 808,569* |

* The variation between this amount and that shown in the Account dated 21st February 1831, is the result of information received from Madras since the latter Account was prepared.

The deficiency will be provided for either by reduction of cash balance, or by incurring fresh debt.

The proportions of the said charges paid or payable in England are as follow; viz.

| | | |
|--|-----------|-----------|
| Interest on debts, part of the £2,139,117 stated above under that head | £. | £. |
| Expense of St. Helena | 962,220 | |
| Political charges incurred in England as above | 93,004 | |
| | 1,742,162 | |
| | | 2,797,386 |

(Errors excepted.)

JAMES C. MELVILL,
Aud. India Accts.

4124. Was not there a monopoly trade in Bombay at the same period?— 25 Aug. 1831.
The system at Bombay has not till lately been uniform; monopoly in a certain sense of the word existed, but private manufacture and importation were allowed under a duty, while government was the principal manufacturer. It has now abandoned the system of manufacturing, and has adopted the system of duties. *J. Mill, Esq.*

4125. When was that adopted?—Within a few years.

4126. Are you able to speak of the effects of that in a financial point of view?—I am not.

4127. From whence do they chiefly import the salt into Bombay?—They import it from Madras.

4128. Does Bengal salt go there?—I believe never.

4129. You were understood to state that you believe that the whole salt imported into Bombay from any other part of India came from Madras, and none from Bengal; does not that arise from the superior quality of the salt manufactured at Madras over that manufactured at Bombay?—From cheapness.

4130. Would not the permitting the import of salt from Madras into the Bengal presidency greatly increase the commercial intercourse between Bengal and Madras, and lower the price of grain to the people of Madras, and the price of salt to the people of Bengal?—I think those consequences in some degree would ensue from it.

4131. It appears that the charges of collecting the revenue under the opium monopoly in Bengal in 1809-10 were 3.796 per cent., in 1825-26 10.365 per cent, and in 1827-28, 4.940 per cent., will you explain the causes of increase and fluctuation of these charges?—The intermediate year here stated appears a very extraordinary year. I have no doubt that it can be very satisfactorily accounted for from the records why the cost was ten per cent. in this year, and only from four to five per cent. in the other years.

4132. Do you recollect whether it was that year in which there was bad opium exported to China, and afterwards a great sum was repaid to the buyers?—There was one year in which the opium delivered at Calcutta proved of inferior quality, and large repayments were made to the merchants in consequence of their losses. If this be the same year, as is very probable, it fully accounts for the difference of charge.

4133. The charge of collecting the opium revenue for the year 1827-28 is reckoned in the public accounts, 4.940 per cent., deducting the advances to manufacturers for the prime cost of the opium, both from the receipts and charges; are not the actual charges of collection very nearly thirteen per cent., can you state in what manner the charge is estimated so low as 4.940 per cent.?—If the cost of production is added to 4.940 per cent., and raises the whole cost to thirteen per cent., I should say that the cost

No. 5.—AMOUNT of the TERRITORIAL DEBT owing by the EAST-INDIA COMPANY at their several Presidencies in the EAST-INDIES, and of the INTEREST thereupon, according to the latest Advices.

| | BENGAL. | MADRAS. | BOMBAY. | TOTAL. |
|--|------------------------------|-----------------------|--------------------------|------------|
| | at 2s. the Current Rupee. | at 8s. the Pagoda. | at 2s. 3d. the Rupee. | |
| Quick Stocks, 30th April 1829. | £. | £. | £. | £. |
| Debts at 4 per cent. | 252,103 | 36,057 | 115,425 | 403,585 |
| Ditto at 5 ditto. | 24,709,083 | 6,637 | — | 24,715,720 |
| Ditto at 6 ditto. | 10,436,217 | 2,632,154 | 228,986 | 13,297,357 |
| Ditto at 8 ditto. | 53,546 | 479,999 | 213,879 | 747,424 |
| Ditto at 10 ditto. | 2,147 | — | — | 2,147 |
| Treasury Notes at 2 and 2½ pie } per cent. per diem. } | 152,343 | — | — | 152,343 |
| Total Debts bearing Interest ... | 35,605,439 | 3,154,847 | 558,290 | 39,318,576 |
| Debts not bearing Interest | 6,787,532 | 1,056,912 | 537,075 | 8,381,519 |
| TOTAL DEBTS in India. £ | 42,392,971 | 4,211,759 | 1,095,365 | 47,700,095 |

Interest computed upon the above Debts. £2,116,971

(Errors excepted.)

East-India House, }
21st March 1831. }

JAMES C. MELVILL,
Aud. India Accts.

25 Aug. 1831.

J. Mill, Esq.

cost of collection remains unchanged. The cost of collection plus the cost of production makes up the thirteen per cent.

4134. Would you not think it a better mode of estimating this to deduct on both sides the receipts and charges?—In making up the accounts all items I think ought to be kept as distinct from one another as they can be.

4135. Are you aware of an agreement made with the French government upon the subject of opium, so as to induce them not to interfere with the government monopoly upon that subject?—A certain quantity is given to them at a certain price, and also to the Danish government.

4136. Does not the same apply to the question of salt?—The same applies to the salt.

4137. Is that with a view of inducing them to withhold the manufacture of salt, and thereby not interfere with the government?—It is an arrangement for making it their interest to take their supply from us.

4138. What are the charges per cent. of collecting the whole revenues of Bengal, Madras, and Bombay respectively, and what are the charges per cent. of collecting the whole revenue of India as far as the same can be ascertained?—The answer to this question will appear by the accounts; I have not had the particulars extracted.

4139. It appears from the accounts laid before this Committee that the revenue derived from the tobacco monopoly in the territories ceded by and conquered from Mysore amounted in 1827-28 to £85,482, and the charges to £31,843, or 37½ per cent. Is not a monopoly which for every pound sterling taken from the people yields but 12s. 6d. to the treasury, and of which the operation is not general, but partial, and confined to a few districts only, obviously impolitic as a source of taxation?—There has been considerable controversy and difference of opinion upon the subject of the tobacco monopoly, which applies only to two provinces, Coimbatore and Malabar; the article is chiefly grown in Coimbatore and consumed in Malabar. It has been more than once declared by the home authorities that this was by no means a desirable tax, and that the alleged evils attaching to it ought to be minutely inquired into. The Madras government themselves have stated that nothing but the pressure they find upon their finances, and their inability to give up any source of revenue which they at present possess, hindered them from putting an end to this monopoly.

4140. Does it not occupy a very considerable portion of the time of the collectors to regulate the details of that monopoly?—I cannot state the particulars. The gentleman who was collector in Coimbatore for a number of years is on the spot, and can answer this question much better than I can.

4141. Are you aware that it is stated in the report of the commissioners in Coimbatore, contained in the revenue and judicial selections, that the tobacco monopoly occupied more of the time of the collector than all the other branches of revenue, and that he was forced to exercise his attention and vigilance

NO. 6.—PROSPECTIVE ESTIMATE of the State of the FINANCES of INDIA, including the HOME CHARGES, at the close of the Company's present Term, supposing the Remittances to be effected at 1s. 11d. the Sicca Rupee, instead of the Rates of Exchange fixed by the Board of Commissioners for the Affairs of India.

| Circumstances which it is calculated will operate on the one hand to augment, and on the other to reduce, this Deficiency, by the Year 1834. | | | | | | | | | |
|--|--|--------------------------------------|--|---|---|---|---|--|--|
| Add, | | Deduct, | | | | | | | |
| ACTUAL INDIAN DEFICIENCY in 1828-29, after bringing to account the Territorial Charges defrayed in England, and reckoning the Local Surplus of India at 1a. 11d. the Sica Rupee. | AMOUNT in which the Revenues are likely to fall short of those of 1828-29. | | AMOUNT in which certain Charges are likely to exceed those of 1828-29. | | Difference between 1a. 11d. the Sica Rupee, and the Rates at which the Territorial Advances (amounting to about One Million Sterling annually) are made in England. | | A M O U N T in which the remainder of the Charges are likely to fall short of those of 1828-29. | | PROBABLE ANNUAL DEFICIENCY in the Indian Revenues, to meet the Charges against them, at the close of the present Term in April 1834. |
| | By Cessation of Extraordinary Receipts. | By falling off in Ordinary Revenues. | By the Sum estimated as to be annually set apart to meet the Claims upon the Tanjore Revenues. | By the addition made to the Charge for Interest of Indian Debt as it stood in 1828-29, in consequence of the creation of fresh Debt to meet the Territorial Deficiency, and to discharge the Debt due from Territory to Commerce. | By Reduction of Military Establishments, &c. &c. | By Cessation of Extraordinary Military Charges. | By Reduction of Civil and Marine Establishments, including those of P. W. Island, Singapore, and Malacca. | By Diminution of the Expenses of St. Helena, and of the Territorial Charges defrayed in England. | |
| £. | See Appx. (A.) Appx (B.) £. 756,637 167,708 924,345 | See Appx. (C.) £. 57,500 | See Appendix (D.) £. 425,508 | See Appendix (E.) £. 89,109 | See Appx. (F) Appx. (G.) £. 934,772 246,849 1,181,621 | See Appx. (H.) £. 310,777 | See Appx. (I.) £. 270,000 | £. | |
| 1,093,436 | 1,496,462 1,093,236 | | 1,762,398 | | | | | | |
| | 2,589,698 1,762,398 | | | | | | | | |
| | 827,300 | | | | | | | | 827,300* |

* This is *exclusive* of the Interest of the Company's Bond Debt in England, the amount of which is £113,414 per annum.
East-India House, }
18th March 1831. }
JAMES C. MELVILL, Aud. India Accts.
(Errors excepted.)

vigilance from the plough up to the wharf?—I have no doubt that there is a great deal of detail and a great deal of difficulty. To prevent smuggling in an article raised to an artificially high price, and which may be grown over an extensive country and carried in every direction, must be a work of great difficulty.

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4142. Are you aware that the commissioners in Coimbatore urged, as an argument for the overthrow of the existing system of the tobacco monopoly, that it could not be continued without serious injury to the inhabitants, nor without corrupting every servant employed in the monopoly, and introducing fraud into every other branch of the revenue; and what modifications of the monopoly, if any, have been made in consequence of this recommendation?—There is exaggeration in that; but this also is a question which Mr. Sullivan can answer better than any body else. The instructions to him have been to introduce every possible improvement in the mode of collecting it; he recommended, I think, a transit duty; his opinion was controverted by the collector of Malabar, and under this conflict of opinions the business has remained pretty much unaltered.

4143. Is there not a regulation of the Bengal and Madras government, which is confirmed by an express statute, and which provides, that all rules and orders respecting the imposition of taxes should be framed into regulations or laws and duly reported, and that the courts of justice are to be guided in their proceedings and decisions by such regulations and by no other?—I have no doubt there is such a clause, and I believe that it is very strictly complied with.

4144. Do you conceive that it is complied with in those cases in which the temporary and periodical settlements of the land revenue are made by the collectors?—I believe completely so.

4145. Do they however form any part of the regulations?—They form part of the regulations undoubtedly, that is the general rules under which they are conducted.

4146. Are there to be found any regulations and rules for the management of these temporary and periodical settlements, which are in conformity with the Act of Parliament?—Certainly.

4147. Are you not aware that in the year 1811 the authorities at home interfered to prevent a permanent settlement of the land revenue in India, which was a measure contemplated and counselled by the authorities in India?—It has never been particularly recommended in any other way than in that of opinion by any of the Bengal authorities. At the period when the permanent settlement of the Upper Provinces was contemplated by the Bengal government, who had announced their intention to the superior authorities at home, they received a strong representation from the commissioners in those provinces, pointing out the inexpediency of proceeding to make a permanent settlement at a time when our want of knowledge of the country

APPENDIX (A.)

Cessation of Extraordinary Receipts (£756,637.)

| BENGAL: | | | | Sicca Rupees. |
|---|------------------|---|--------------|---------------|
| Balance received from Scindia's government in 1828-29, on account of the auxiliary horse | | | | 13,89,827 |
| Received from the Bhurtpore state in 1828-29, on account of war charges .. | | | | 7,74,291 |
| Received from the Ava government in 1828-29, being part of the tribute of one crore imposed upon that state (under treaty) at the close of the war | | | | 14,99,111 |
| Sum introduced as a receipt into the accounts of 1828-29, in order to adjust the statement made of the Malwa opium transactions in the year 1823-24 | | | | 14,87,878 |
| Diminution which is likely to take place in the amount of re-funds and re-credits deducted from the military charges of 1828-29 | | | | 22,00,000 |
| MADRAS: | | | | |
| Balance of the late native pension fund, credited as an extraordinary receipt in 1828-29; Madras Rupees 5,80,261, or | | | | 5,44,233 |
| | | | Sicca Rupees | 78,95,340 |
| | Equal to | £ | | 756,637 |

APPENDIX (B.)

Falling-off in Ordinary Revenues (£167,708.)

| BENGAL: | | | | Sicca Rupees. |
|---|------------------|---|--------------|---------------|
| Probable falling-off in the Bengal revenues, chiefly in the receipts from opium, which it is supposed will be affected by the abolition of the monopoly of the article in Malwa | | | | 20,00,000 |
| Ditto in the Madras revenues, which in 1828-29 were above their average amount; Madras Rupees 3,19,860, or | | | | 3,00,000 |
| Deduct, | | | | 23,00,000 |
| Probable amount of improvement in the Bombay revenue; Bombay Rupees 5,86,410, or | | | | 5,50,000 |
| | | | Sicca Rupees | 17,50,000 |
| | Equal to | £ | | 167,708 |

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country, and above all our want of knowledge of the tenures and rights of the ryots, exposed us to the danger of incurring the same evils which had been already experienced in Bengal, in consequence of our proceeding to make a permanent settlement without a sufficient knowledge of circumstances. In consequence of this representation, the Bengal government themselves came to the conclusion that more time was required for inquiry, and the authorities at home went no further than to forbid the making of any settlements in perpetuity without their permission previously obtained.

4148. Did not that take place twenty-three years ago?—It is many years ago.

4149. Has anything been done since that period towards the establishment of a permanent settlement?—Nothing has been done towards the establishment of a permanent settlement, unless it be ordering very extensive and minute inquiries.

4150. Were those inquiries with a view to that?—On the part of the Bengal government they were with a view to it, because they held it in contemplation. On the part of the authorities at home, there has been no encouragement to believe that a permanent settlement would ever be made in those provinces.

4151. You have stated, in a former examination, that you did not consider the 39th section of the Act of 1784 as having any reference to the permanent settlement of the land revenue of Bengal. Are you not aware that in the instructions of the Court of Directors to the Governor-General ordering that settlement to be carried into effect, they cited the section in question, acknowledged that they were explicitly commanded to comply with its provisions, and stated that they desired the Indian government, in all measures adopted in the administration of the revenues, to pay the most minute and scrupulous attention to the Act of Parliament, both in sense and spirit?—My opinion on the construction of an Act of Parliament cannot be of much importance, and that opinion was delivered after having heard the clause read once, without any particular recollection of the Act; but I still believe I was right in my construction, that it had reference to nothing but the particular object then under contemplation, a permanent settlement in the Bengal provinces, which no doubt had the authority of an Act of Parliament, and was effected in full conformity with its terms.

4152. Do you not conceive that the permanent settlement which was made by Lord Cornwallis, was in pursuance of the Act of Parliament?—It appears to have been referred to by the Court of Directors in their instructions to the government, respecting the permanent settlement; but I should not say that the permanent settlement originated in the commands of the Parliament.

4153. Are you not aware, that in the same instructions the Court of Directors, with a view, as they stated, of carrying the commands of the legislature

APPENDIX (C.)

| | |
|---|---------------------------|
| Sum which it is estimated will be annually set apart to meet the claims of the creditors of the late rajah of Tanjore | Sicca Rupees. 6,00,000 |
| Equal to £ | 57,500 |

APPENDIX (D.)

Addition to the Charge for Interest of Indian Debt (£425,508.)

| | | |
|--|--------------|---------------|
| Probable insufficiency of the local surplus of India to meet the demands of Commerce, for re-payment of sums issued in England to the Territorial department : | | |
| In 1829-30 | £619,527 | |
| 1830-31 | 317,494 | |
| 1831-32 | 453,735 | |
| 1832-33 | 319,286 | |
| 1833-34 | 199,286 | |
| | £1,909,328 | |
| at 1/11 per Sicca Rupee | 1,99,23,423 | Sicca Rupees. |
| Claims on account of Deccan and Bhurtpore prize property | 50,00,000 | |
| | 2,49,23,423 | |
| Deduct, | | |
| Amount in which it is estimated the Indian cash balances may be reduced below the amount at which they stood on 30th April 1829 | 1,00,00,000 | |
| Difference to be provided for by incurring fresh debt .. | 1,49,23,423 | Sicca Rupees. |
| Annual interest on this amount, at 5 per cent. .. | | 7,46,171 |
| Probable addition to the charge for interest on the balance of the Carnatic fund; Madras Rupees 2,26,563, or | | 2,12,495 |
| Interest on the further amount of Indian debt which it is estimated will be incurred in order to pay off the debt due from Territory to Commerce in 1834: | | |
| Estimated debt to Commerce on 1st May 1834, valuing the Sicca Rupee at 1/11 | £6,672,715 | |
| or, Sicca Rupees 6,96,28,330, at 5 per cent. interest | | 34,81,416 |
| | Sicca Rupees | 44,40,082 |
| Equal to £ | | 425,508 |

lature into effect, directed the government of Bengal to settle the permanent revenue, either in perpetuity, or for a long term of years?—That the Court of Directors so directed the settlement to be made, is not doubtful.

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4154. Are you aware, that in a subsequent dispatch, the Court of Directors bestowed their hearty approbation upon the perpetual settlement, giving it a preference to long leases, and stating the obvious disadvantages of the latter?—The opinion of the Court of Directors of that time was, that the settlement in perpetuity was preferable.

4155. Are you not aware that promises have been made to several parts of India of a permanent settlement being established in them, that settlement not existing there at this moment, and those promises not having been carried into effect?—I believe that such promises were made, and unfortunately made.

4156. By whom were such promises made?—They were made explicitly by the Bengal government, and implicitly at least by the authorities at home.

4157. Do you remember any year in which they were explicitly made?—Shortly after the Upper Provinces came into our possession, when they were, I believe, still under a lieutenant-governor.

4158. Has not very considerable dissatisfaction been felt and expressed by the natives of the ceded and conquered provinces of Bengal, at the non-performance of the promises thus made to them?—As to the degree and kind of the dissatisfaction, the evidence appears to me to be exceedingly doubtful; there is no distinct evidence of dissatisfaction among the body of the people; there is evidence of dissatisfaction in various parts from over-assessment.

4159. Were not the peremptory directions on the part of the Directors not to proceed to form a permanent settlement in those provinces in the year 1811?—There may have been directions so early; they have been repeated again and again.

4160. Was there not a project entertained by the Indian government at home of granting leases for fifteen years in the subsequent year to the period mentioned, namely, 1812?—I have no recollection of it; that latterly the Bengal government has been instructed that the authorities at home would be ready to grant leases of a greater duration, I have already stated.

4161. Has not a difficulty been found in granting leases in perpetuity in consequence of not being able to decide who really were the proprietors of the land?—The whole of the reasons against proceeding to a permanent settlement, of which that is one, are numerous; they have been stated frequently; they are to be found in the records, and may be easily repeated.

4162. You have stated that orders have been sent out recently to all parts of India, except those parts subject to the permanent settlement, for granting leases of thirty years; what was the date of that order?—I cannot state particular dates; they are various, and will be obtained by reference to the records. In the third volume of the printed Selections, at page 449, there is

APPENDIX (E.)

Difference between 1/11 the Sicca Rupee, and the Rates at which the Territorial
Advances are made in England (£89,109.)

| | Nature and Amount of the Advances. | Rates at which they are made. |
|---|---------------------------------------|---------------------------------------|
| | £. | (a) |
| Advances to Civil and Military Funds | 125,000 | at 2/3 p. S. Rupee, on an average. |
| Interest on Carnatic Stock | 95,000 | at 2/5. 24 p. S. Rupee. |
| Bills drawn on the Court for interest of Indian Debt .. | 780,000 | at 2/0. 6 ditto, on an average. |
| | £ 1,000,000 | at 2/1½ |

Difference between 1/11 and 2/1½ per Sicca Rupee on £1,000,000, is, Sicca Rupees 9,29,832,
equal to £89,109.

(a) After deducting from the actual rates the interest on the advances.

APPENDIX (F.)

Reduction of Military Establishments, &c. (£934,772.)

| | Sicca Rupees. | £. |
|--|-----------------|---------|
| Various reductions comprised in the Estimates laid before the Select Committee of the House of Com- mons in June last | 82,93,335 .. or | 794,778 |
| Net amount of further* reductions, of which informa- tion has been received since those Estimates were framed, after deducting the cost of certain additions which have been made to establishments within the same period | 14,60,867 .. or | 139,994 |
| | £ | 934,772 |

* In the following page will be found the chief items of these further Reductions.

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an order of that kind in a despatch dated the 10th of November 1824, in the following terms: "Should you succeed in securing to the ryots those rights which it was assuredly the intention of the permanent settlement arrangements to preserve and maintain, and should you, in all cases where the nature and extent of those rights cannot now be satisfactorily ascertained and fixed, provide such a limit to the demand upon the ryots as fully to leave to them the cultivators' profits under leases of considerable length, we should hope that the interests of that great body of the agricultural community may be satisfactorily secured." Here is another passage at page 465, in a letter of the 18th of February 1824: "In following the instructions which we have communicated to you for retaining in the hands of the government the property of such lands, even in the Lower Provinces, as may be acquired by government, you are to understand that we are favourable to leases for a term of years, more especially leases for years to the ryots, each for his separate possession."

4163. If those orders were sent out in 1824, ought they not to have been acted upon previously to this period?—No doubt they ought to have been acted upon, and in many cases they have been acted upon.

4164. Are there accounts of any instances in which they have been acted upon?—Various instances may be traced if the volumes in which they are recorded were explored; but the time and mode of carrying such orders into effect are always left to the authorities on the spot, because it is impossible here to foresee the difficulties which in particular instances may stand in the way.

4165. Are you aware whether the orders have been carried into effect in any district in India?—Not in any entire district.

4166. With respect to the promise given to the ceded and conquered provinces of Bengal, of the permanent settlement, was there not a law passed by the Governor-general, and registered, containing the same pledge, and without reference to the authority of the Court of Directors?—The question, I suppose, has reference to some more or less distinct expression of a pledge in some regulation which I do not bear in mind. The language of the government was certainly that of a promise.

4167. It appears that Regulation X, of 1807, is a regulation for the conclusion of the ensuing settlement in the Ceded and Conquered Provinces, passed by the Governor-general and Council on the 11th of June 1807. In section five of that Regulation it is stated, "The Governor-general in Council, however, hereby notifies to the zemindars and other actual proprietors of land in the Ceded and Conquered Provinces, that the jumma which may be assessed on their estates in the last year of the settlement immediately ensuing the present settlement, shall remain fixed for ever, in case the zemindars shall now be pleased to engage for the payment of the public revenue on those terms in perpetuity, and the arrangements shall receive the sanction of

Appendix (F.)—continued.

BENGAL.

| | <i>Sicca Rupees.</i> |
|---|----------------------|
| The two corps of European infantry, incorporated into one regiment | 1,09,403 |
| Calcutta native militia reduced | 67,451 |
| Second Nusseree battalion, disbanded | 81,334 |
| First and second battalions of native invalids, broken up | 1,33,963 |
| Moorshedabad provincial battalion, disbanded .. . | 95,688 |
| Seharunpore provincial battalion, disbanded | 76,550 |
| Ramgurh local battalion, reduced | 31,577 |
| Establishment of Doolie bearers, reduced | 32,534 |
| Further reductions in the ordnance department | 30,099 |
| Appointment of regulating officer of invalid thannahs to be abolished | 30,176 |

MADRAS.

| | |
|---|----------|
| Light field force at Kulladgee, broken up | 2,12,906 |
| The two European regiments formed into one | 98,480 |
| Seringapatam local battalion, reduced | 65,654 |
| Formation of the rifle corps into one of the regiments of the line | 1,31,307 |
| Saving in the field equipments of the Hyderabad and Nagpore subsidiary forces | 93,791 |

BOMBAY.

| | |
|--|----------|
| Reductions in the horse artillery | 75,033 |
| Reductions consequent upon the stationing both battalions of European artillery at Ahmednuggur | 37,516 |
| The two extra battalions, disbanded | 1,87,582 |
| Tent allowances reduced | 65,654 |
| The two European regiments formed into one | 1,05,046 |
| The grain ration for horses reduced | 42,206 |
| Batta struck off at the frontier stations of Deesa and Bhooj (European officers excepted) | 1,68,824 |
| Battalion of native invalids, broken up | 65,654 |
| Immediate reduction of 15 per cent. and a further prospective reduction of 5 per cent. directed to be made in the amount of all office establishments .. | 56,274 |
| Re-organization of the ordnance department | 50,647 |

of the Honourable the Court of Directors?"—There is here the reservation of the approbation of the Court of Directors.

25 Aug. 1831.

J. Mill, Esq.

4168. If regulations of that nature have been passed in India, in what way have those regulations been rescinded?—This regulation, in substance, has not been rescinded.

4169. Was it not rescinded in 1812?—The different imports of the word must be attended to. A law may be said to be rescinded, when the whole of its provisions are only to be enacted in another form. A regulation passed for a temporary settlement, is of course rescinded when the period for which the settlement was made is expired; but another regulation is framed, containing all the provisions of the old one which the present occasion requires.

4170. Does it not appear that the regulation that has been read was not for a temporary but for a fixed and permanent settlement?—There is no regulation for a fixed and permanent settlement, it is merely a promise that the jumma then to be made would be made permanent, if the Court of Directors complied.

4171. In the year 1812, Regulation IX, section 7, contains this provision, "Such part of section 5, Regulation X, of the year 1807, as declares provisionally that the jumma which may be assessed on the estates of the zemindars, and other actual proprietors of land in the Ceded Provinces, shall remain fixed for ever, is hereby rescinded?"—What was rescinded in this case is nothing but the conditional promise; rescinded because the condition was withheld.

4172. Did not the Governor-general of Bengal state that his regulation with respect to permanent settlement was rescinded in express obedience to the orders of the Court of Directors, and with great reluctance?—That it was rescinded with great reluctance is very likely, but that it was a regulation is clearly not the matter of fact. It was only a promise contingent upon the assent of the authorities at home. It was a promise placed in a regulation; and an extraordinary thing it certainly was to enact a promise.

4173. Is it not recognized in the year 1812 as a regulation?—There is no question about the regulation of 1807, it had the name of a regulation, certainly; my negation is, that there was any enactment rendering the jumma perpetual. This could be no law, because it remained subject to the approbation of the authorities at home.

4174. Was not the first regulation that applies to that made in 1803, and was not it made by Lord Wellesley without any provision for the approbation of the authorities at home?—That I am not aware of.

4175. Was there not another regulation for the Conquered Provinces in 1805?—I am not aware of a regulation then to make a settlement in perpetuity.

APPENDIX (G.)

Cessation of Extraordinary Military Charges (£246,849.)

| | <i>Sicca Rupees.</i> | <i>£.</i> |
|--|----------------------|----------------|
| Arrears brought to account at Madras in 1828-29, connected in a great measure with the late war, Madras Rupees 20,00,000, or | 18,75,820 .. or | 179,766 |
| Sum brought to account in Bengal, under the head of charges of the late war | 7,00,000 .. or | 67,083 |
| | <i>£</i> | <u>246,849</u> |

APPENDIX (H.)

Reduction of Civil and Marine Establishments (£310,777.)

| | <i>Sicca Rupees.</i> | <i>£.</i> |
|--|----------------------|----------------|
| Various reductions detailed in the Estimates laid before the Select Committee of the House of Com- mons on the 7th June last | 16,28,334 .. or | 156,049 |
| Further reductions, of which information has been received since those Estimates were framed .. | * 16,14,551 .. or | 154,728 |
| | <i>£</i> | <u>310,777</u> |

* In the following page will be found the chief items which contribute to this further Amount.

25 Aug. 1831.

J. Mill, Esq.

4176. Do you know how the pledge was conveyed by the Lieutenant-governor to those provinces, at that period?—By a proclamation, I believe.

4177. Supposing it were the policy to establish a permanent settlement in those parts of India, where it does not at the present moment prevail, might not that permanent settlement as easily be made in the ryotwar system, and in the village system, as where the zemindary system exists?—There is no doubt that the payments of the ryots might be rendered permanent.

4178. Do you not conceive, supposing a permanent settlement to be established where the ryotwar system exists, and supposing the rate of assessment upon the ryot were moderate, that much greater advantage would accrue to the country than by making a permanent settlement through the medium of the zemindars?—If a permanent settlement is to be made, I should think it preferable to make it with the ryots.

4179. Do you see any difficulty in making a permanent settlement where the village system prevails?—I should consider a permanent settlement with the head of the village, if made without fixing with equal precision the payment of the ryots, providing that nothing more than a rent should be demanded, as a sacrificing of the interests and rights of the ryots, in the same manner as they have been sacrificed in Bengal.

4180. Do you not conceive that provision might easily be made for preserving the rights of the ryots in such cases?—I believe that provision might be made, not easily, because we find it very difficult to make a correct ryotwar settlement.

4181. You have proposed that, in case of a village settlement, an estimate should be formed, and should be publicly promulgated, by which the rights of all individuals shall be established and fixed?—The expedient which I mentioned on a former day was, that the head man of the village should be called upon to give an account to the collector of the mode in which he means that the revenue of the village should be distributed; that this statement should be fixed up in the village, for every contributor to have an opportunity of making his remarks upon it, and stating his objections. Security for the ryots has been provided in the Deccan by the collector himself, who in making settlements with the village, and leaving the collection to be made by the head man of the village, made a separate settlement with each ryot, and gave him a pottah.

4182. If that has been done under the present circumstances, what would prevent the same practice prevailing in the settlement of a permanent assessment?—The thing undoubtedly might be done.

4183. Do you not conceive, that supposing a permanent settlement of the land revenue in India were effected by our government, that a very considerable security would thereby result to the government?—I do not see in what way the security of the government would be increased by it.

4184. If certain fixed rights were established, depending upon the good faith

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Chief Items of the further reductions of which information has been received since the estimates referred to in Appendix (H.) were framed :

| | Sicca Rupees. |
|--|---------------|
| BENGAL. | |
| Various reductions in the General Department, chiefly in the Subordinate Establishments | 75,000 |
| Expenses of the Telegraphic Establishments, the Mineralogical Survey and the Shakespearian Bridges | 32,400 |
| Reductions in the Political Department | 1,10,000 |
| Ditto in the Establishments of the Judicial Department | 60,000 |
| Ditto in the Establishments of the Revenue Department | 1,20,000 |
| Further reductions in the Marine Department | 1,00,000 |
| Reductions in the Secretariat, the College, and the Botanical Garden; and the Office of Superintendent of Hindoo Researches abolished | 1,40,000 |
| Further reductions proposed in the Political Department | 50,000 |
| MADRAS. | |
| A fixed sum allowed to the Resident in Mysore, in lieu of his former Salary and Table Allowances, and the situation of Assistant to the Resident abolished | 50,117 |
| Situation of Junior Accountant-general abolished, and Establishment of the Accountant-general reduced | 23,166 |
| Additional Government Commissionership for Carnatic Claims abolished, and Establishment of the Commissioners reduced | 44,305 |
| Intended reduction in the Secretariat, and consolidation of certain of the principal Offices at the Presidency, &c. | 24,000 |
| Intended reduction of one Judge from the Sudder Adawlut; abolition of the Zillah Court of Guntoor; substitution of Seven separate Provincial Judges for the present Provincial Courts; and employment of Sudder Aumeen in lieu of Zillah Registers | 1,00,000 |
| Fourth Member of the Board of Revenue, and the Establishments of the additional Sub-Collectors intended to be discontinued | 16,000 |
| BOMBAY. | |
| General reduction of the Allowances of Native Servants in the various Civil Departments | 2,15,000 |
| General revision of the Allowances of Covenanted Civil Servants | 1,87,000 |
| Household Establishment of the Governor to be reduced, and Allowance to the Secretary of the Committee for examining Junior Civil Servants discontinued | 28,700 |
| Various reductions proposed in the General Department, chiefly in the Political Branch | 1,13,000 |

faith of the government, would there not be a natural apprehension in the mind of the individuals possessed of those rights, that if a new government were established, or if India were conquered by any adverse power, those rights would not be preserved as they have been by the government who granted them?—I believe that, with the establishment of rights which now exists, the security in question exists. When we are enabled to make the assessment on correct principles, and to render the payments permanent for the period of a reasonable lease, I believe in that case that there will be a perfect notion of fixed rights on the part of the agricultural population of India. There will be a difference, to be sure, in the value of the possession to the ryots, if you allow them to become proprietors of portions of the rent, but I should consider that an impolitic proceeding, because so long as the rent of land is not more than adequate to the expenses of the state, whatever portion of the rent of land you permit the ryot to retain, in the same proportion you must have other taxes to supply the deficit, and I know no other taxes that would not be more oppressive, more felt by the people, than the payment of a rent from land.

25 Aug. 1831.

J. Mill, Esq.

4185. Supposing the wealth of the country to increase, might it not bear a much larger amount of taxation derived from other sources, without that increased burthen upon the people?—If the riches of the country increased, there is no doubt that the country might bear a greater taxation without feeling a greater degree of burthen. That is to say, if the people increased in wealth individually.

4186. Was not the argument which has been now mentioned relating to the greater security of the government, an argument put prominently forward by Lord Cornwallis, at the time he made the permanent settlement?—Very likely it was so; but I believe it was a miscalculation.

4187. Do you not conceive that the people of India, generally speaking, are a timid race, and easily allow themselves to be subject to the extortion of persons in authority?—Certainly, to a very great degree.

4188. Should you not say that, under such circumstances, the limitation of the land revenue in perpetuity, taking into account their character, would be attended with greater advantage to that country than where there existed a stronger repulsion to acts of authority on the part of the government at home?—There can be no doubt that if you raise the revenue in a less vexatious and perplexing manner, you confer a great favour upon those from whom it is derived, because the vexation that attends the raising of a revenue is one material item of the burthen which the people bear. There can also be no doubt that rendering permanent at a moderate rate the payments of the ryots, would be a boon to those individual ryots; but inasmuch as it would be an alienation of a portion of the resources of the state in favour of this particular class of people, the consequence must be a taxation of all the rest of the community for their benefit; and I think no one portion of the people should be enriched at the expense of another.

4189. Supposing

APPENDIX (I.)

Diminution of the Expenses of St. Helena, and of the Territorial Charges
defrayed in England (£270,000.)

| | £. |
|--|----------------|
| Various Reductions in the Establishments of St. Helena, as detailed in the Estimates laid before the Select Committee of the House of Commons on 7th June last | 23,000 |
| Diminution of the Territorial Charges in England | *247,000 |
| | <u>270,000</u> |

| | Particulars of the Territorial Charges in 1828-29. | Particulars of the Probable Charges in 1834-35. |
|--|---|--|
| | £. | £. |
| *Political Stores | 449,603 | 350,000 |
| Passages of Military outward | 72,730 | 60,000 |
| Pay to Officers on Furlough and Retirement, and off-reckonings. | 388,072 | 475,405 |
| Political Freight and Demorage | 106,663 | 95,000 |
| Pay-office Demands on Account of King's Troops | 354,800 | 280,000 |
| Retiring Pay, &c. to King's Troops | 60,000 | 60,000 |
| Political Charges general | 366,532 | 350,000 |
| Absentee Allowances, and Passage Money to Civil Servants | 36,369 | 40,000 |
| Expenses on Account of the Subordinate Settlements and Tanjore Commission | 8,192 | 10,000 |
| Paid to the Government of Persia | 124,444 | — |
| | <u>1,967,405</u> | <u>1,720,405</u> |
| | 1,720,405 | |
| | <u>247,000</u> | |

25 Aug. 1831.

J. Mill, Esq.

4189. Supposing the land revenue to be permanently fixed, do you not conceive that it would be possible to employ natives in the collection of that revenue to a much greater extent than you can do where the land assessment is subject to perpetual variation?—No doubt; the moment you render the payment due from each ryot definite, whether defined for perpetuity or defined for a certain number of years, and the moment you also render the administration of justice so perfect that each ryot when he sustains an injury can obtain redress, you may collect the revenue in any manner you please, however summary; you may farm a whole province with perfect safety to one man.

4190. Would not the revenue, under those circumstances, be collected at much less cost than it is at the present moment?—With respect to the summariness I am not aware that the expense would be considerably diminished. It would undoubtedly be apparently diminished, because the cost that would immediately come out of the government resources would appear to be less; but a remuneration must be left to the farmer for all the trouble he is at in collecting the revenue.

4191. Supposing the revenue to continue the same, would not the charges be much less?—The charges would be much less, if justice were more perfect. I consider that a great part of the charge to which government now goes in maintaining collectors establishments, is chiefly for the purpose of protecting the ryot, of seeing that the ryot sustains no wrong, while the administration of justice is yet too feeble to afford him the protection he requires. A great proportion of the expense of collecting the revenue arises from an anxiety to enable the collector to afford the protection to the ryot, which the judicial establishment is inadequate to afford.

4192. Supposing the same number of officers to be employed in the collection of the revenue, and that they were under native superintendents in one case, and under European in the other, would not the salaries paid to the native superintendents be considerably less than those which are paid to European superintendents?—Greatly less.

4193. Would not a considerable advantage accrue to the natives of India by the introduction of a system whereby natives and not Europeans might be largely employed in the collection of the revenue?—The great advantage I should contemplate would be the cheapness. If the payments of the ryots were accurately defined, and there were an administration of justice sufficiently perfect to afford redress to the ryot for every grievance, you might then employ, without danger, the greatest rogues in the world in collecting the revenue.

4194. Would not the people of India derive very considerable benefit from natives being employed in the collection of the revenue, where Europeans are at the present moment employed?—An opinion is very generally entertained, but in which I confess I do not participate, that it would be good for the natives of India to be more largely employed in the business of the government

No. 7.—STATEMENT of the Particulars of an Item in the Account of the Commercial Branch of THE COMPANY'S Affairs, for the Year 1829-30, entitled, "Charges General, amounting to £418,508. 7s. 7d.

(In continuation of an Account, dated 2d June 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 970.)

| | £. | s. | d. |
|---|---------|----|-----|
| Directors' Gratuities (one-half) | 3,636 | 17 | 0 |
| Proportion of Salaries and Allowances to Officers of the House and Warehouses, chargeable to the Commercial Branch, according to the principle established for each Office in the Plan of Accounts approved by the Board of Commissioners | 74,856 | 0 | 0 |
| Allowances to Extra Clerks (one-third) | 8,577 | 13 | 4 |
| East-India College, chargeable to the Commercial Branch in the proportion that the Number of Servants Abroad employed in that Department bears to the Total Number of Servants of the India and China Establishments | 1,083 | 19 | 8 |
| Supracargoes' Commission | 71,616 | 3 | 10 |
| Annuity and Pensioners of the Commercial Department | 35,551 | 7 | 6 |
| Tradesmen's Bills for Expenses of the East-India House, Repairs, Taxes, Coals, Candles, &c. (one-half) | 29,179 | 0 | 8½ |
| Law Charges incurred in respect of Commercial matters | 1,500 | 0 | 0 |
| The two Widows' Funds, established for the benefit of the Home Service; one-half of the Grants from the Company's Cash, including an adjustment in respect of former Years | 1,902 | 14 | 10 |
| Care of Insane Persons who have belonged to the Commercial Branch of the Service | 528 | 18 | 2 |
| Subscriptions to Charities and on public occasions (one-half) | 508 | 18 | 0 |
| Books, Maps, Charts, &c. purchased or subscribed for (one-half) | 1,667 | 13 | 10 |
| Stationery for Home use (one-half) | 3,078 | 16 | 0 |
| Buildings | 10,838 | 9 | 0 |
| Regiment of Royal East-India Volunteers | 3,359 | 15 | 7 |
| Disbursements of Agents at Out-Ports | 795 | 16 | 10 |
| Inspectors and Surveyors of Shipping | 244 | 4 | 1 |
| Boys, Pilot Vessels and Cutters | 4,703 | 10 | 11 |
| Hoyage and Lighterage | 909 | 12 | 8 |
| Charges of the Naval Store Warehouse | 619 | 8 | 2 |
| Labourers' Wages | 147,769 | 1 | 10½ |
| Pensions to Labourers | 7,807 | 9 | 0 |
| Medical Attendance to Labourers and Deficiencies in Sick Fund | 4,500 | 13 | 1½ |
| Tradesmen's Bills for Expenses of the Warehouses * | 31,887 | 2 | 6 |
| Taxes, Rates, Tithes, &c. for the Warehouses | 12,590 | 6 | 0½ |
| Carried forward £ | 459,713 | 12 | 8 |

government than they now are. It appears to me that the great concern of the people of India is, that the business of government should be well and cheaply performed, but that it is of little or no consequence to them who are the people that perform it. The idea generally entertained is, that you would elevate the people of India by giving them a greater share in their own government; but I think that to encourage any people in a train of believing that the grand source of elevation is in being an *employé* of government, is anything but desirable. The right thing, in my opinion, is to teach people to look for their elevation to their own resources, their industry and economy. Let the means of accumulation be afforded to our Indian subjects; let them grow rich as cultivators, merchants, manufacturers, and not accustom themselves to look for wealth and dignity to successful intriguing for places under government, the benefit from which, whatever it may be, can never extend beyond a very insignificant portion of the whole population.

25 Aug. 1881.

J. Mill, Esq.

4195. Do you not conceive that the exclusion of the natives from the higher branches of the revenue employment is looked upon by them, and is, in point of fact, a stigma upon them?—I do not believe that they look upon it in that light.

4196. Do you know any country in which it would not be so considered?—I should point to India as a country in which it is not so considered.

4197. Supposing, for example, Englishmen alone were employed in the higher branches of employment in Ireland, do you not conceive that the Irish would consider it a stigma upon them?—I consider that the feeling of degradation, from being governed by foreigners, is a feeling altogether European. I believe it has little or no existence in any part of Asia.

4198. Do you not think that, by the greater employment of the natives of India in the higher branches of employment, the character of the natives would be ameliorated?—I should think that such employment would have little effect in that way. The thing of importance, in order to elevate the character of any people, is to protect them. Elevation is the natural state of a man who has nothing to fear; and the best riches are the effects of man's own industry; effects which never fail when the protection is good.

4199. Have you ever been in India?—I have not.

4200. And you can only speak from what you have read and heard?—Yes.

4201. Are you aware that petitions have been sent home by the natives of India, most numerous and respectably signed, complaining in the strongest terms of their exclusion from the civil, judicial, and financial departments of government?—I am perfectly aware of such petitions having been sent home, but I am far from supposing that those petitions speak the general language of the country.

4202. What reason have you to think so?—I can only speak generally, because my reason is an inference from all I know, from all I have heard, and all I have read about the people.

4203. Is

| | | | | | £. | s. | d. |
|--|--|--|--|--|---------|---------|-------|
| Brought forward | | | | | 459,713 | 12 | 8 |
| East-India Dock Company, for Dock Rates, Wharfage and Rents .. | | | | | 28,004 | 19 | 9 |
| West-India ditto .. ditto .. ditto .. | | | | | 2,050 | 18 | 5 |
| St. Katherine ditto .. ditto .. ditto .. | | | | | 312 | 11 | 6 |
| London ditto .. ditto .. ditto .. | | | | | 135 | 8 | 7 |
| Cartage and Expense of Caravans | | | | | 6,675 | 7 | 2 |
| Sundry Charges on account of the preparation of Goods for Sale .. | | | | | 2,735 | 11 | 8 |
| Fees to King's Officers, and Expense of Entries at the Custom-House .. | | | | | 477 | 3 | 5½ |
| Sundry Miscellaneous Items of a Commercial nature | | | | | 1,122 | 9 | 1 |
| Balances in hands of Officers of the House, &c. more on 1st May 1830 } than on 1st May 1829, operating as a Payment } | | | | | 5,763 | 11 | 0½ |
| | | | | | £ | 506,991 | 13 3¼ |
| RECEIPTS: | | | | | £. | s. | d. |
| Received for Expense of Transfers, Powers of At- } torney, &c. } | | | | | 536 | 11 | 0 |
| Fines and Penalties for Breaches of Contracts for the } provision of Commercial Exports } | | | | | 611 | 18 | 1 |
| Commercial Charges, debited Owners of Ships in } Freight Accounts } | | | | | 958 | 12 | 7 |
| Old Goods sold (Packages, &c.) | | | | | 146 | 18 | 4½ |
| Warehouse Rent, and Rent of other Property, received } and charged in Account } | | | | | 85,003 | 1 | 2½ |
| Wharfage, Landing and Shipping Goods, more received } than paid in the present year } | | | | | 360 | 9 | 6 |
| Charges on Baggage of Passengers from India .. | | | | | 805 | 15 | 0 |
| Loans to sundry Persons, more received than advanced } in the present year } | | | | | 60 | 0 | 0 |
| | | | | | 88,483 | 5 | 8¼ |
| | | | | | £ | 418,508 | 7 7 |

Memorandum :

The Sums received by the Company in respect of the Charges of Management of Private Goods will operate in Reduction of the Amount herein stated. £56,712 was received on this Account in 1829-30, being part of a separate Item of Receipt in the Account of the Commercial Branch of the Company's Affairs for the same Year.

(Errors excepted.)

East-India House, }
14th March 1831. }

THOS. G. LLOYD,
Accountant-General.

25 Aug. 1831.

J. Mill, Esq.

4203. Is the correspondence you have read native correspondence?—Not native correspondence.

4204. Do you allude to the correspondence of the Company's servants in India exclusively?—Not exclusively.

4205. You have not seen anything stated by the natives themselves upon that subject?—Not any thing written by themselves upon that subject.

4206. Are the petitions that have been referred to from the presidencies or from the provinces?—From the presidencies, I believe, exclusively.

4207. Do you conceive that it is possible for any person to form an adequate judgment of the character of a people without being personally acquainted with them?—If the question refers to myself, I am far from pretending to a perfect knowledge of the character of the people of India.

4208. Do you conceive that the 8th article of the 7th clause of the Regulations of 1793, by which a pledge was made by the Governor general in Council to enact such regulations as he may think necessary for the general protection of the inferior departments, and other cultivators of the soil, has been redeemed or not in the countries where the permanent settlement has been introduced?—It has not been redeemed; it has been frequently violated.

4209. Do you conceive that the circumstances of Bengal, where the permanent settlement was introduced, are at the present moment such as to warrant the government to resort to acts that would redeem that pledge given on the introduction of the regulation?—I fear the change of circumstances is such as would put great difficulties in the way, because there have been such fluctuations, that it would be difficult to know who were the ryots in occupancy at the time of the permanent settlement.

4210. Do you conceive that a fair adjustment of the rights and claims of the ryots and zemindars, in countries where the settlement has been introduced, might be made without infringing the principles of the settlement of 1793, and that government would be justified in entering upon that adjustment of their claims?—Certainly.

4211. Are you aware that in lands included in zemindaries recently recovered from jungle waste, the government have actually interfered to fix the demands in many of the zemindaries on the ryots?—In certain cases, in which they have compromised a doubtful question between the rights of the government and the rights of the zemindars, they have commenced by settling the demand upon the ryot.

4212. Do you recollect whether the amount settled is, that where government had a right to eight annas from the zemindar, the zemindar had no right to collect more than twelve annas from the cultivator?—This is a common proportion.

4213. Will not the consequence of this probably be that neighbouring zemindars

No. 8.—STATEMENT of the Actual Expenditure of THE EAST-INDIA COMPANY in their Trade, from WASTAGE and ALLOWANCE, during the present Charter (upon TEA).

Dr. (In continuation of an Account, dated 19th May 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 938.)

5

[illegible]

East-India House, }
14th March 1831.

(Errors excepted.)

THOS. G. LLOYD,
Accountant-General.

zemindars who possess no waste lands will have their cultivators desirous to go to waste lands, where they have such superior encouragement, and will not the consequence of that, where it occurs, be to put many of the best lands out of cultivation?—That is an occurrence frequent in every part of India.

25 Aug. 1831.

J. Mill, Esq.

4214. Are you aware that the ryots in Bengal who possess lands at those money assessments under the late regulations, are represented by the recent despatches to be in a prosperous condition, where their settlements have been fixed?—Yes.

4215. Are you aware that in the Regulations of 1793, no other proprietors or holders of land or possessors of rights under the zemindars were noticed, except talookdars, tenants, under-tenants, ryots, and other cultivators?—Those are the terms made use of.

4216. Do not you think that when those regulations were introduced with those general terms, the actual occupants of villages and lands subordinate to the zemindars had in those countries actually the same rights and properties that are usually common to such classes of persons throughout different parts of India?—It appears to me that it is implied in the terms, and I have no doubt that such is the fact.

4217. Do not you conceive that in India, as elsewhere, a prosperous tenantry can alone make a prosperous lord of the soil?—I believe so.

4218. Are you not of opinion that the destruction of the rights of the subordinate holders of land by the general Regulations of 1793, before we had minute information upon the subject, namely, the rights of village communities, of khoochkast ryots, and others, was one great cause of those internal disorders, and that gang-robbery, which went subsequently to so great an extent, especially in the years 1808, 1809, and 1810?—I believe so; and also of the great absence of prosperity among the ryots of Bengal at the present moment.

4219. You were asked whether the per-centage upon the collection of land revenues of the possessions ceded by the Mahrattas included stipends and pensions as charges upon the revenue; have you referred at all to the Appendix that was laid before the Committee?—I have not.

4220. In page * under land revenue charges, you will find stipends and charges charged in that column, and in the year 1827-28 you will find they amount to £312,545, will not that make a great alteration with regard to the amount of per-centage in the expense of collecting the revenue?—Most certainly.

* Page 1201.

4221. Are you aware whether, in the charges against the salt revenue upon the opposite side, there is not a deduction made of the advances made to the manufacturer before the revenue is put down?—From my recollection I should say, that the gross amount of revenue, that is, the whole of the returns from the sales, is put on the one side, and the gross charges, including

No. 9.—AN ACCOUNT of the several kinds of Goods, as Assets in hand, unsold on 1st May 1830; stating the Quantity and Value of TEA.

(In continuation of an Account, dated 4th May 1830, printed in Appendix to First Report on East-India Company's Affairs, page 932.)

| | On 1st May 1830. | |
|---------------------------|---------------------|------------|
| | lbs. | £. |
| TEAS | 36,006,522 .. | 3,755,955 |
| China Raw Silk | — | — |
| Nankeens | — | — |
| Piece Goods (India) | — | 270,175 |
| Bengal Raw Silk..... | — | 464,970 |
| Indigo | — | — |
| Cinnamon | — | — |
| Pepper | — | 25,946 |
| Saltpetre..... | — | 80,718 |
| Cotton Wool | — | 4,884 |
| Sugar | — | 45,205 |
| Coffee..... | — | 5,187 |
| Sundries | — | — |
| | | £4,653,040 |

(Errors excepted.)

East-India House, }
14th March 1831. }

THOS. G. LLOYD,
Accountant-General.

25 Aug. 1831.

J. Mill, Esq.

including everything, cost of production, with all intermediate expenses, on the other.

4222. Upon the side of charges there is £497,845 placed as advances to manufacturers; do you suppose that that is deducted before they put down what is on the opposite side, £2,382,277, or is it merely the gross amount?—I believe in both statements the gross amount. On the one side there is the whole of the receipts from the sales, and on the other the charges, advance to the manufacturers, and all other charges.

4223. You were asked as to the expense of collection in the ceded provinces in Oude. In the last year, 1827-28, it was stated that it had risen to twenty-seven per cent. upon the collection of the customs. Upon turning to page * does it not appear to you that the customs, from some cause, have been very much reduced during the latter period?—There appears from those statements to be a great reduction.

* Page 1136.

4224. May not that account for the apparent increase of per-centage upon the collection?—Undoubtedly.

4225. Upon a former day you were asked your opinion as to the best mode of improving the country, whether by a zemindary settlement or a ryotwarry, and your answer appeared to express an opinion that you considered it an evil that the ryot should become a man of property; was that the intention of your answer?—Certainly not; it is by no means an evil that the ryot should become rich, and by no means an evil that he should become a landed proprietor. My objection applies solely to the rendering of any man a proprietor at the expense of the state, alienating a portion of the public revenue in order to render him rich. That he should become rich is a most desirable thing, and as many of them as possible.

4226. Have you not stated that in the ryotwar settlements it is distinctly understood that there shall be a maximum although not a minimum fixed?—That was the principle of Sir Thomas Munro's settlement. It appears to me to be by no means a necessary part of the principle of a settlement in detail, though it was of Sir Thomas Munro's.

4227. If there is a maximum fixed, does not that become nearly a permanent settlement with the ryot?—It is sure to become in time a permanent settlement; because the rent of land will increase with the progress of population.

4228. Supposing the permanent maximum to be so high, as that it is impossible to be paid in any part of the country, would not it in point of fact become a dead letter?—The truth is, that the maximum is so high, and the remissions so frequent, that in practice the settlement is annual.

Veneris,

No. 10.—A RETURN of the COMPANY'S ESTABLISHMENT at the *Cape of Good Hope*, with the Salaries of the different Officers thereof; the Expense incurred for maintaining Warehouses; the Rate of Agency charged on Purchases and Sales, with the Gross Amount of the same; for the Year 1829-30.

(In continuation of an Account, dated 4th May 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 966.)

ESTABLISHMENT, with the Salaries of the different officers thereof, and the Expense incurred for maintaining Warehouses.

| | £. | s. | d. |
|--|---|----|----|
| William Hawkins, Esq., agent, salary | 1,600 | 0 | 0 |
| Ditto commission, at 5 per cent. on net profit of sales { | None drawn in the present year. | | |
| Mr. S. Oliver, confidential clerk and storekeeper. salary | 300 | 0 | 0 |
| Mr. A. Nitch, 1st assistant..... ditto | 67 | 0 | 0 |
| Mr. H. R. Van Lier, 2d ditto..... ditto | 45 | 0 | 0 |
| Watchmen | 45 | 0 | 0 |
| Labourers' Wages (occasional) | 19 | 0 | 0 |
| Office Rent | 45 | 0 | 0 |
| Rent of Warehouses (hired of individuals) | 261 | 0 | 0 |
| Expense of landing Stores | No stores received in the present year. | | |
| Sundry Charges in conducting the Agency | 22 | 0 | 0 |
| £ | 2,404 | 0 | 0 |

GROSS AMOUNT of PURCHASES and SALES.

| | £. |
|--|--------|
| Purchases on account of St. Helena | 7,296 |
| Ditto goods consigned to England (Wines) | — |
| Sales, Gross Amount | 20,365 |
| £ | 27,661 |

Memorandum :—The Company's agent at the Cape is remunerated for all the services performed by him by a fixed salary, which, with the commission paid on the net profit of the sales, as above shewn, constitute the whole of his allowances.

His duties, in addition to those of the custody and sale of the goods consigned by the Company to the Cape, the purchase of stores for the supply of St. Helena, and of merchandise for consignment to England, supplying the Company's shipping, whether engaged in their trade, or conveying troops to or from India, transmitting intelligence to the authorities both in England and India, have reference to every part of the Company's concerns in respect to which his services may at any time be needed.

(Errors excepted.)

East-India House, }
14th March, 1831. }

THOS. G. LLOYD,
Accountant-General.

Veneris, 26^o die Augusti, 1831.

ALEXANDER SINCLAIR, Esq. called in, and examined.

4229. You were for some years in India?—I was ten years there altogether, at two periods. 26 Aug. 1831.

4230. Will you state what situations you held in India, and in what parts of the country?—I went there in 1813. I was on the Madras establishment; and from the end of 1817 till the beginning of 1820 I was register of the court of Cuddapah in the Ceded Districts. I then came home, owing to bad health, and returned in 1823, when, after being a short time an assistant to the secretary in the board of revenue, I acted as sub-collector of Ramnad for about six weeks. I was then three years in Tanjore as sub-collector, the last three months of which I was in charge of the whole province; and I came home again, sailing in April 1827. *A. Sinclair, Esq.*

4231. You left India on account of your health?—Yes.

4232. It appears that your name is mentioned in the course of the evidence of a witness before the Committee, Mr. Peter Gordon; have you seen that gentleman's evidence?—Yes, I have.

4233. Are there any points of that evidence on which you wish to make any observations to the Committee?—There are a few points on which I conceive that an erroneous impression requires to be removed; for instance, from the answer to Question 525 it may be supposed that I was one of those in the Company's service who were not acquainted with the native languages. I think, in justice to myself, I may say that while I was in the Ceded Districts I transacted business without an interpreter in the Teloo goo language; and that when I went to the southern districts I transacted business all the time I was there in the Tamul language; in both cases the language of the country. I conversed with the natives, examined evidence, took petitions myself from them; indeed, I wrote a Malabar letter, the day after I arrived, to the head tehsildar of Ramnad. In answer to Questions 545-6-7-8-9, there is some allusion to the state of the people. In Mr. Gordon's evidence there is so much mixture regarding Tanjore, and Ramnad, and Madura, that it is very difficult to say exactly to what district it applies; in some cases it may be conceived to apply to both districts, when it applies only to one. Though I know little of the state of the people of Madura or Ramnad, having been only there for about six weeks, yet while I was in Tanjore I became very well acquainted with the state of the people there, and I do not think that they are in anything like so wretched a state as he describes them; at

26 Aug. 1881.

A. Sinclair, Esq.

least I wish to say that, as far as Tanjore is concerned, the people are not in so unfavourable a situation. In answer to Questions 557 and 8, regarding irrigation, I cannot subscribe to the opinions expressed, particularly as relates to Tanjore. In Answers 805 and 6 there are also assertions respecting the works for the purpose of irrigation, to which I cannot assent. One of the greatest works for irrigation perhaps in the world is the Annicut; it was not built by the Company, but it exists there; and the Company have built in Tanjore, in various parts, sluices and aqueducts of very great importance, and have materially improved the irrigation.

4234. Is the date of that work ancient?—It is ancient; and it is chiefly owing to the Annicut that Tanjore is so fertile. Then, in answer to Question 564, with respect to the dry land being of no value, I can speak to that point with regard to Ramnad as well as Tanjore, that it is of very considerable value. For the year during which I was connected with Ramnad, very nearly half the land revenue was derived from the dry land; but that being a season of scarcity, the revenue from the wet land had very much decreased. But from the accounts in my possession it can be proved that the dry land is of great value both in Tanjore and in Ramnad.

4235. Does not Mr. Peter Gordon's evidence, in the answer to Question 564, relate to the province of Tanjore only?—It does; but as Tanjore is so much more fertile than Ramnad, and as in Tanjore the dry land is stated to be of no value, whereas it is of considerable value, I conceive that the same answer will apply equally to Ramnad.

4236. Are not the lands that are called dry, flooded by a collection of rain water in some cases?—No; dry land is land not irrigated; it is cultivated by means of rain.

4237. Is that rain collected at one season to be used at another?—No; what is called dry land is punjah, and does not depend in the smallest degree upon irrigation.

4238. What is about the extent and population of Tanjore?—It is a triangle of above forty miles on each side, the population is 870,682, and the number of villages paying revenue to government 5,688.

4239. What is the amount of its revenue?—The revenue varies from various causes. I have here a table of the land revenue, together with the charges, for the years 1820, 1821, 1822 and 1823, in the first of which Mr. Cotton's administration commenced. The gross land revenue for 1820 was 33 lacs 4,892, the charges 7 lacs and 28,758, the nett collections 25 lacs 76,134; and it appears from this table that during that period there was a progressive increase in the revenue, and a progressive decrease in the charges: for the last of these four years the gross land revenue was 38 lacs 36,832, the charges 4 lacs 86,757, and the net collections 33 lacs 50,075.

4240. What led you to the selection of those four years particularly?—It was merely that I got the copy of an account that had been made at that period;

| | |
|---|----------|
| Articles supplied for the repair of Packages, and other purposes, after the receipt of the Tea in the Warehouses .. | 9,799 |
| Dock Rates and Wharfrage payable to the East-India Dock Company on Tea imported .. | 6,790 |
| Annual allowance granted to Commanders of Company's Ships acting as Commodores of the Fleet at Canton; also a Pension to a retired Inspector of Tea, paid in England .. | 1,000 |
| Proportion of Commercial Charges of a general description, not attaching to any particular Department, and sundry miscellaneous expenses .. | 7,143 |
| <i>Deduct:</i> | |
| For such part of the sums received by the Company, under the engagements entered into with the Commanders and Officers of their China Ships, as are considered to be in reimbursement of Charges actually incurred on Tea imported by them .. | 919,536 |
| | 12,324 |
| | 207,912 |
| | 15,463 |
| Proportion of the Charges, Establishment and Shipping Charges, attaching upon the Company's Exports to China.. | |
| o TOTAL of the Charges in England attaching to the China Trade, exclusive of Freight and of the Commission and Allowances to the Establishment at Canton .. | 222,675 |
| c <i>Freight</i> , from England and India to China .. | |
| Do. China to England .. | £ 87,843 |
| Do. do. the British Colonial Possessions at the Cape of Good Hope and North America .. | 528,674 |
| | 631,923 |
| | 854,598 |
| The above account does not comprise the Charge for Interest, nor that for Premium of Insurance, which the Company are permitted by the Act 24 Geo. 3. c. 38, to calculate as part of the prices at which to put up their Teas to Sale; and which amounted, in the Year comprised in the preceding Statement, to the following sums; viz. .. | |
| TOTAL .. | £ |
| INTEREST .. | 259,261 |
| INSURANCE .. | 55,443 |

(Errors excepted.)

East-India House, }
14th March 1831.

THOS. G. LLOYD,
Accountant-General.

period; but the land revenue increased still farther during the two following years, owing to the increased price of grain.

26 Aug. 1831.

A. Sinclair, Esq.

4241. In discharging the duties of the situation you held in Tanjore, you of course were conversant with the administration of the land revenue in that country?—Yes, I had experience of it for three years.

4242. Will you be so good as to state the description of settlement which prevails in Tanjore; was it a permanent settlement, or the ryotwar, or the village system?—It was the village system; but it was in some degree ryotwar also, as in most of the villages the share of each individual was perfectly known, and it was levied from him accordingly.

4243. To whom was it known?—It was known according to the government accounts, in which his share was entered.

4244. With what description of persons is the settlement made?—With the meerassydars.

4245. How do you conceive that a settlement made with the meerassydars can be considered as a village settlement?—There is calculated an amount for the whole village, which consists of the portions of each according to the government accounts, and their adherence or non-adherence to the rent causes general advantage or disadvantage to them all in making the settlement for the year.

4246. Do you mean to say that there is any one principal person responsible for the whole?—No.

4247. Will you explain more in detail the system of settlement that prevails in that country?—By a calculation made up from the old accounts of the village, a certain standard produce at a certain standard rate, with a fixed assessment on the dry land, &c., is offered to the meerassydars, who are the proprietors of the soil, at a rent. If they agree to that rent the settlement is made; if they do not consent to it the village is taken under the management of the Company's servants.

4248. In one village is there not frequently more than one meerassydar?—In most cases there are more.

4249. Is each of those meerassydars dealt with separately?—They generally agree together; if some of them will not agree, the rest most frequently hold back; but there are cases in which one portion will agree and the other will not.

4250. Has it fallen to your lot to make, or to assist in making some of those settlements?—It has.

4251. On those occasions with whom did you transact?—With the meerassydars themselves; but more frequently it is done through the tehsildar of the talook.

4252. Is the tehsildar an officer appointed by the collector?—Yes; he is collector of the revenue for a large division in the country.

4253. What

No. 12.—AN ACCOUNT of the Expense of the East-India Company's Establishment at Canton; the Names of the Servants, and the amount of Salaries and Emoluments of each, and of the whole Cost for the Maintenance of the same in the Year 1829-30.

(In continuation of an Account, dated 17th March 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 956.)

| SALARIES and EMOLUMENTS. | | | | On consignments from England and India to China, and from China to England. | On consignments from China to the British North American Colonies. | TOTAL. |
|---|---|----|----|---|--|--------|
| Being the proportion of Commission assigned to Servants of the rank of Supracargoes, of Salaries to Writers not in the Commission, and of Salaries to Persons filling Professional and other distinct Offices at the Factory. | | | | Partly Estimated. | | |
| SUPRACARGOES and WRITERS. | | | | £. | £. | £. |
| Season of Appointment. | | | | | | |
| 1804-5 .. | William Henry Chicheley Plowden, Esq. | .. | .. | 7,988 | 169 | 8,157 |
| 1806-7 .. | William Baynes, Esq. | .. | .. | 6,657 | 141 | 6,798 |
| 1807-8 .. | Charles Millett, Esq. | .. | .. | 6,657 | 141 | 6,798 |
| 1812-13 .. | James Bannerman, Esq. | .. | .. | 6,657 | 141 | 6,798 |
| — | Charles Marjoribanks, Esq. | .. | .. | 5,547 | 118 | 5,665 |
| — | John Francis Davis, Esq. | .. | .. | 4,992 | 106 | 5,098 |
| 1814-15 .. | James Frederick Nugent Daniell, Esq. | .. | .. | 4,327 | 92 | 4,419 |
| 1815-16 .. | Ditto .. Allowance as Student of the Chinese Language | .. | .. | — | — | 100 |
| — | Thomas Charles Smith, Esq. | .. | .. | 3,773 | 80 | 3,853 |
| — | Ditto .. Allowance as Student of the Chinese Language | .. | .. | — | — | 100 |
| — | John Jackson, Esq. | .. | .. | 1,998 | 42 | 2,040 |
| — | Ditto .. Allowance as Student of the Chinese Language | .. | .. | — | — | 100 |
| — | Ditto .. for attending the examinations of Tea, for the purpose of learning the qualities | .. | .. | — | — | 200 |
| 1818-19 .. | George Best Robinson, Esq. | .. | .. | 1,775 | 38 | 1,813 |
| — | Robert Burland Hudleston, Esq. | .. | .. | 1,443 | 31 | 1,474 |
| 1820-21 .. | Hugh Hamilton Lindsay, Esq. | .. | .. | 1,443 | 31 | 1,474 |
| — | Ditto .. Allowance as Student of the Chinese Language | .. | .. | — | — | 100 |

26 Aug. 1831.

A. Sinclair, Esq.

4253. What is the duty of the sheristadar ; is he in any way concerned in the collection of the revenue?—Not in the collection ; he is the head native in the collector's office, who takes charge of the accounts.

4254. Will you be good enough to state what is the operation in that country in settling a village?—An account is made up from the best information which we at present possess of the extent of land and produce of that village. According to this account an offer is made to the meerassydars to pay a share of the produce upon this standard, and if they agree the settlement is made ; if they do not agree, it remains under the government management.

4255. Is not the class of persons who cultivate the land immediately under the meerassydars called parakoodces?—They are.

4256. And below them is there not yet an inferior class?—Yes, an inferior class, denominated pullers.

4257. In point of fact, does the tehsildar or any other officer of the collector treat with the meerassydars individually previously to such settlement being made, or does he merely summarily place before him the sum at which his rent is proposed to be fixed by the government?—They inquire of the meerassydars if they are willing to consent to the rent, and they find out what their sentiments are in the case.

4258. Do you mean to say that on such occasions the meerassydars have full and free access to the servants of the collector of the revenue?—Perfectly free, and I believe in general, but certainly in my own case, perfectly free access to the European officers of government also. Their objections were taken into consideration, and if they appeared to be fair the terms were altered.

4259. Are the Committee to understand that in the country which you are speaking of those settlements take place annually?—The settlements have been of various descriptions. For the first four years of our possession the whole country was under Aumanee management ; in Fuslies 1214-15 and 16 an annual rent prevailed generally over the province ; from Fuslie 1217 to 1219, inclusive, there was a three years' rent ; from Fuslie 1220 to 1224, inclusive, there was a five years' rent ; from Fuslie 1225 to 1229, inclusive, a five years' rent ; in Fuslie 1230 there was one year's rent ; the same in 1231 and in 1232. In that Fuslie, which corresponds with the year of our Lord 1822, there was an effort made to settle the greater part of the country on a permanent footing, with a power of revisal in case of the settlement having been very improperly made.

4260. Do you know for how long, after we took the management, the administration continued under the Aumanee system?—For four years.

4261. Can you state the result of the produce of those four years?—I have no authenticated statement of the produce of the whole country for those four years, but I have here selected by accident the annual produce of a considerable

| | | | | | | | |
|--|----|----|----|----|-----|----|----------|
| 1824-25 .. John Harvey Astell, Esq. | .. | .. | .. | .. | 500 | — | 500 |
| — Henry Matthew Clark, Esq. | .. | .. | .. | .. | 500 | — | 500 |
| — Ditto .. Allowance as Student of the Chinese Language | .. | .. | .. | .. | — | — | 100 |
| — John Bensley Thornhill, Esq. | .. | .. | .. | .. | 500 | — | 500 |
| — Henry Thomas Ravenshaw, Esq. | .. | .. | .. | .. | 500 | — | 500 |
| 1826-27 .. Frederick John Morris, Esq. | .. | .. | .. | .. | 200 | — | 200 |
| — Ditto .. Allowance as Student of the Chinese Language | .. | .. | .. | .. | — | — | 100 |
| 1828-29 .. John William Hendry Campbell, Esq. | .. | .. | .. | .. | 58 | — | 58 |
| — Henry Robert Alexander, Esq. | .. | .. | .. | .. | 70 | — | 70 |
| Parsons filling Professional and other distinct offices at the Factory: | | | | | | | |
| Rev. George Harvey Vachell, Chaplain | .. | .. | .. | .. | .. | .. | 800 |
| Mr. Alexander Pearson, Surgeon (including Table Allowance on account of his residence at Macao, during the stay of the Factory at Canton) | .. | .. | .. | .. | .. | .. | 1,540 |
| — Thomas College, Surgeon | .. | .. | .. | .. | .. | .. | 1,240 |
| — John Livingston, Surgeon | .. | .. | .. | .. | .. | .. | 360 |
| — John Reeves Inspector of Teas | .. | .. | .. | .. | .. | .. | 2,000 |
| — John Russell Reeves .. ditto | .. | .. | .. | .. | .. | .. | 500 |
| Rev Dr. Morrison .. Interpreter and Translator | .. | .. | .. | .. | .. | .. | 1,000 |
| Copying Writers, occasionally employed in the Offices | .. | .. | .. | .. | .. | .. | 828 |
| Steward, Butler, domestic Servants, &c. | .. | .. | .. | .. | .. | .. | 890 |
| Cost of Maintenance; comprising Rent and Repairs of Private Apartments, as well as Furniture supplied thereto, and the Expense of the Public Table kept at the Factory | | | | | | | £ 66,673 |
| | | | | | | | 90,885 |
| | | | | | | | £ 87,558 |

East-India House, }
14th March 1831. }

(Errors excepted.)

THOS. G. LLOYD,
Accountant-General

a considerable number of villages, perhaps twenty-five villages, stated annually. 26 Aug. 1831.

A. Sinclair, Esq.

4262. During the period that the administration continued under the management of the government, did the revenues, or did they not, largely decrease?—I believe they decreased very largely; at all events the produce brought to account was greatly diminished.

4263. To what do you attribute that large decrease under that system?—To the impossibility of managing so extensive a country upon that system. I have found that even in the small number of villages which are still under the government management, there is the greatest difficulty to make those lands produce any thing like what it is proved that they produced in former years, even with, in many cases, an improved irrigation.

4264. Have you reason to know that, under that system of administration, fraud and corruption existed to a very great extent?—To a very great extent. In the first year of our possession it appears that the administration of affairs went on very satisfactorily. In the second year there began to be some frauds; but in the third and fourth years there were very great frauds, so much so that a commission was sent from Madras to investigate. It will be proved by a reference to almost any of those villages of which I have accounts here, that as soon as the village came under the government management, the produce brought to account invariably fell off. In many cases the cultivation was decreased and not so well performed.

4265. What are the four years during which it was under Aumancee management?—From 1801-2 to 1804-5.

4266. Did any circumstances come to your knowledge, which exposed a very general system of corruption in the individuals employed in the collection of the revenue?—In some cases I obtained possession of the real accounts of the meerassydars of the villages, and in those accounts there was almost invariably a very large account of bribes paid to the different native officers of government.

4267. Do you mean that you had, from the admission of the meerassydars, evidence of the existence of a general system of that description?—The meerassydars were unwilling to admit any such facts, but at the same time they admitted that those were their own accounts. I have in my hand a translation of an account of one meerassydar; it consists of nineteen pages, and only comprises five years, and it is almost throughout an account of bribes that he gave; and here are notes from his correspondence with his own managers, in which he directs them to give those bribes, and to endeavour to get the grain measured falsely, to use false measures, and to take possession of some of the grain at night, if they can get it falsely measured in the day-time; and my belief is that throughout the Aumancee villages in general this is the system that prevails. I believe that under very careful
superintendence

No. 13.—RETURN of the Number of LICENSES which have been granted by the Court of Directors, and by the Board of Commissioners for the Affairs of India, to Individuals to reside in India ; and also, of the Number refused, in each Year since 1814.

| Y E A R S. | Number of Persons licensed by the Court of Directors to reside in India. | Number of Persons to whom the Court of Directors have refused Licenses. | Number of Persons permitted to proceed to India by the Board of Commissioners. |
|------------|--|---|--|
| 1814 | 11 | 2 | 1 |
| 1815 | 41 | 6 | — |
| 1816 | 41 | 17 | 1 |
| 1817 | 71 | 17 | 16 |
| 1818 | 89 | 37 | 4 |
| 1819 | 75 | 28 | 6 |
| 1820 | 73 | 16 | 4 |
| 1821 | 78 | 20 | 2 |
| 1822 | 101 | 23 | 4 |
| 1823 | 117 | 11 | 6 |
| 1824 | 95 | 14 | 3 |
| 1825 | 103 | 11 | 5 |
| 1826 | 99 | 17 | 4 |
| 1827 | 106 | 7 | 5 |
| 1828 . . . | 99 | 14 | 4 |
| 1829 | 137 | 18 | 6 |
| 1830 | 111 | 9 | 1 |
| TOTAL .. | 1,447 | 267 | 72 |

Of the 1,447 persons whose applications were complied with by the Court of Directors, 59 do not appear to have proceeded.

Of the 267 refused by the Court, and forwarded to the Board of Commissioners (under the provisions of the Act of the 53 Geo. 3, c. 155, s. 33), 72 were permitted to proceed by the Board ; 58 of these availed themselves of such permission.

East-India House,
22d February 1831. }

P. AUBER,
Secretary.

26 Aug. 1831.

A. Sinclair, Esq.

superintendence it may be prevented in a considerable number of cases, but that it is quite impossible to prevent it altogether. I can produce a number of cases in which, during my own administration, villages that have produced a very small amount of grain, compared with what they produced formerly, are now rented at a produce equal to or greater than former years; but there is even a difficulty in getting the meerassydars to cultivate the whole extent when it is under the government management.

4268. In the event of the meerassydars not consenting to the rental fixed by the government, do not the government take possession of the management of the estate?—They do.

4269. What description of officer, and by what name is he designated, whom the government appoint to conduct the management of the estate?—A person called a monygar is appointed.

4270. Of what class or description of persons is that monygar?—He is generally a person looking out for an office; sometimes it turns out that he is a person who has been already displaced from some office. The pay is so small, and the appointment so temporary, and the opportunities for speculation so notorious, that it is difficult to procure people of character to fill the situation: they are in all cases natives of the district.

4271. They are not then generally held to be persons who are supposed to be beyond the reach of those practices which the accounts you have just produced of this meerassydar exhibit?—No; there is in general very little dependence to be placed upon them; but if the peshkar, the deputy-tehsildar, and the tehsildar do their duty, the affairs of the village will be well managed, as I can prove in a great number of cases. The peshkar is a person who manages a sub-division of the talook under the tehsildar, and reports to him.

4272. Will you have the goodness to state in what proportions the produce may be supposed to be divided?—Taking the produce at 100 cullums, $11\frac{3}{4}$ per cent. is deducted for certain rights and fees of office, *viz.* cavil pagoda curnum. This leaves $88\frac{1}{4}$, half of which $44\frac{1}{8}$ is the government share, with one per cent. added for alms resumed, leaving $45\frac{1}{8}$ as the government share of the produce: but in cases when the meerassydars do not agree to the rental, five per cent. is taken from their share to pay the expenses of the management of the village.

4273. What is the share that remains to the meerassydar independent of the five per cent. deducted?—The meerassydar has one-third with that deduction from the gross amount, and the parakoodees the other two-thirds of the remainder.

4274. And of those two-thirds what proportion does he allot to the parakoodees?—They have the whole of it; and from their share is provided the seed and expenses of village.

4275. Do

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 285

Nos. 14-19.—STATEMENTS of the COMMERCE of British India with Great Britain, North America, South America, and Foreign Europe, for 1827-28 and 1828-29; distinguishing the Trade of the East-India Company from that of Individuals, and Merchandize from Treasure.

(Being a continuation of the Statement presented during the last Session of Parliament.)

(No. 14.)—IMPORTS INTO BENGAL.

| | 1827-28 : | | | 1828-29 : | | |
|--|--------------------|------------------|--------------------|--------------------|------------------|--------------------|
| | Merchandize. | Bullion. | TOTAL. | Merchandize. | Bullion. | TOTAL. |
| From Great Britain on account of the India Company | 3,48,312 | — | 3,48,312 | 1,51,916 | 2,46,414 | 3,98,330 |
| Ditto ... on account of Private Individuals | 1,86,43,444 | 73,620 | 1,87,17,064 | 2,20,29,791 | 1,687 | 2,20,31,478 |
| From North America | 4,54,612 | 17,21,217 | 21,75,829 | 4,53,107 | 15,67,989 | 20,21,096 |
| — South America | 1,62,328 | 20,250 | 1,82,578 | 2,88,125 | 2,10,645 | 4,98,770 |
| — Brazils | 80,576 | 10,75,000 | 11,55,576 | — | — | — |
| — Lisbon | 87,118 | 1,10,925 | 1,98,043 | — | — | — |
| — Copenhagen | — | — | — | — | — | — |
| — France | 13,83,920 | 9,28,546 | 23,12,466 | 17,10,434 | 4,93,816 | 22,04,250 |
| — Holland | — | — | — | — | — | — |
| — Cadiz | — | — | — | — | — | — |
| — Sweden | 79,492 | — | 79,492 | 82,761 | — | 82,761 |
| — Russia | — | — | — | — | — | — |
| — Hamburgh | 73,912 | — | 73,912 | 3,73,232 | — | 3,73,232 |
| TOTAL ... Sicca Rupees | 2,13,13,714 | 39,29,558 | 2,52,43,272 | 2,50,89,366 | 25,20,551 | 2,76,09,917 |

(continued..)

4275. Do the parakoodes consider that they have a right to that share? —They have a perfect right to it; and sometimes they lay their complaints before the collector if the meerassydar attempts to oppress them. 26 Aug. 1831.
A. Sinclair. Esq.

4276. Are the parakoodes the actual cultivators of the soil?—In some cases the meerassydar cultivates, and takes all that share to himself, and is at the expense of cultivation; but in general the parakoodie is at the expense of the cultivation. The meerassydar enjoys the rest perfectly free as a revenue.

4277. In the event of the meerassydar not concurring in the rent, but the government taking it into its own administration, and appointing a monygar, what becomes of the situation of the parakoodie?—He receives the same share that he would have done if it had been under the meerassydar, excepting that if there be, as there often is, a very large share of produce not brought at all into the government accounts under the rent, of that the parakoodie will be thereby deprived. He receives the same *proportion* otherwise; but from deficiency in the cultivation perhaps a less *quantity*.

4278. In what mode is the monygar remunerated?—He is paid a small salary.

4279. In the event of the government taking the cultivation of the estate into their own hands, does the meerassydar continue to receive the same proportion of the produce that he would have had had he consented to pay the rent?—The meerassydar loses; five per cent. of the gross produce is taken by the government to pay the expense of superintending the cultivation.

4280. Does the meerassydar under those circumstances get any profit whatever?—The meerassydar has his share of the produce, minus five per cent. The five per cent. is deducted from the sum total of the villages. I have here a paper containing a statement of the case of a village, given to me by one of the chief servants of the government, as an example of the rent, though it does not give the usual process of fixing the grain amount.

4281. Will you have the goodness to read that paper?—

[*The Witness read the same, as follows.*]

“*Memorandum.*

Vaylies. m. g.

Ramapooram village, containing 15 — —

This village, as well as the whole province, was under management of the circar from Fusly 1210 to 1213, both inclusive; and the quantity of gross produce in the abovesaid years is as follows:

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(No. 15.)—EXPORTS FROM BENGAL.

| | 1827-28 : | | | 1828-29 : | | |
|---|--------------------|------------------|--------------------|--------------------|------------------|--------------------|
| | Merchandize. | Bullion. | TOTAL. | Merchandize. | Bullion. | TOTAL. |
| To Great Britain on account of the East-India Company | 1,75,37,150 | 34,58,720 | 2,09,95,870 | 1,41,26,165 | — | 1,41,26,165 |
| Ditto ... on account of Private Individuals | 1,22,76,636 | 7,06,979 | 1,29,83,615 | 1,16,40,299 | 12,41,443 | 1,28,81,742 |
| To North America | 16,87,548 | — | 16,87,548 | 16,01,632 | — | 16,01,632 |
| — South America | — | — | — | 99,605 | — | 99,605 |
| — Brazils | 4,37,668 | — | 4,37,668 | 5,68,621 | — | 5,68,621 |
| — Lisbon | 1,93,866 | — | 1,93,866 | 1,12,433 | — | 1,12,433 |
| — Copenhagen | — | — | — | — | — | — |
| — France | 26,86,304 | 13,500 | 26,99,804 | 23,87,107 | — | 23,87,107 |
| — Holland | — | — | — | — | — | — |
| — Sweden | 91,477 | — | 91,477 | 1,74,322 | — | 1,74,322 |
| TOTAL ... Sicca Rupees | 3,49,10,649 | 41,79,199 | 3,90,89,848 | 3,07,10,184 | 12,41,443 | 3,19,51,627 |

(Errors excepted.)

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| Fuslies. | Extent of Land. | Gross Produce. |
|-----------------------------|-----------------|---------------------|
| | <i>Vaylies.</i> | |
| 1210 - - - - | 15 | 1,875 |
| 1211 - - - - | 15 | 2,250 |
| 1212 - - - - | 15 | 1,500 |
| 1213 - - - - | 15 | 1,800 |
| | 60 | 7,425 |
| Average, or $\frac{1}{4}$ - | 15 | 1,856 $\frac{1}{4}$ |

In some villages the average abovesaid is taken as a basis of the settlement for the subsequent years; and in others, the highest gross produce in the said four years is taken, according to the local state of the village and the nature of the irrigating river. As, for instance, the standard gross produce for this village is the average of the four years, which being cullums 1,856 $\frac{1}{4}$.

| | | | |
|--------------------------|--------|----|----|
| | Culls. | m. | m. |
| Deficiency of produce is | 156 | — | — |

| | | | |
|----------------------------------|----|----|-----------------|
| The mailwarum or circar share is | 67 | 11 | 1 $\frac{1}{2}$ |
|----------------------------------|----|----|-----------------|

at 3 double fs. a cullum, amounts to ch^s 20. 4, to be deducted from the profit by price.

The following are the deductions usual in the gross produce of a village:

| | | |
|--|--------|-----------------|
| | Culls. | m. |
| 9 per cent. sotuntrums on the gross produce, is | 167 | — |
| Remainder | 1,689 | 3 |
| Deduct again 3 per cent. mauniums | 50 | 5 $\frac{3}{4}$ |
| Remainder | 1,638 | 9 $\frac{1}{4}$ |
| Deduct again the coodiwarum or inhabitants' share, at 50 per cent. | 819 | 4 $\frac{5}{8}$ |
| Remaining amount of mailwarum or circar share | 819 | 4 $\frac{5}{8}$ |
| Add, resumed pitchay, at 8 mercals per 100 cullums | 12 | 4 $\frac{1}{4}$ |
| Total | 831 | 8 $\frac{7}{8}$ |

Note.—A chukrum is nearly a rupee and a half.

which is charged at 3 double fan^s a cullum, being the standard price, and amounts to

| | | |
|------|----|----|
| Chs. | f. | c. |
| 249 | 5 | 8 |

The abovesaid sum of 249 chs. 5f. 8c. is the standard money amount fixed for the village; and as this standard money amount is formed at the rate of 3 fan^s a cullum, it may vary as the current selling price rises or falls.

If

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(No. 18.)—IMPORTS INTO FORT ST. GEORGE AND SUBORDINATES.

| | 1827-28 : | | | 1828-29 : | | |
|---|--------------|----------|-----------|--------------|----------|-----------|
| | Merchandize. | Bullion. | TOTAL. | Merchandize. | Bullion. | TOTAL. |
| From Great Britain on account of the East-India Company | * 25,87,402 | — | 25,87,402 | 33,54,825 | 25,156 | 33,79,981 |
| Ditto ... on account of Private Individuals | | | | | | |
| From America | 46,238 | 60,156 | 1,06,394 | 3,819 | 7,055 | 10,874 |
| — Brazil | — | — | — | — | — | — |
| — Lisbon | — | — | — | — | — | — |
| — France | 3,40,928 | 16,533 | 3,57,461 | 3,88,493 | 1,000 | 3,89,493 |
| — Copenhagen | — | — | — | — | — | — |
| TOTAL ... Madras Rupees | 29,74,568 | 76,689 | 30,51,257 | 37,47,137 | 33,211 | 37,80,348 |

(continued.)

* The Returns of 1827-28 and 1828-29 do not distinguish the Amount of Company's Trade from that of Individuals.

If the current selling price become $3\frac{1}{2}$ fan^a a cullum, it is 25 per cent. more than the standard price; the amount at 25 per cent. to the standard jumma is 62chs. 3f. 26c., and out of this profit by price 10 per cent. of the standard jumma, being 24chs. 9f. 16c., is remitted to the inhabitants, and the rest, being 37chs. 4f. 10c. if added to the standard jumma, amounts to 286chs. 9f. 18c. to be collected from the meerassydars.

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But if on the other hand the price fall 25 per cent., and become only $2\frac{1}{2}$ fan^a a cullum, the amount of the loss between 3 and $2\frac{1}{2}$ fan^a

| | | |
|------|----|----|
| Chs. | f. | c. |
| 62 | 3 | 26 |

The amount to be remitted to them at 20 per cent. only is 49 8 8

In the standard money amount, the aforesaid sum of 49chs. 8f. 8c. is deducted, and the rest, being 199chs. 7f., is only collected from the meerassydars."

4282. Was the settlement made by Mr. Wallace a settlement from year to year?—For the first year it was from year to year, then for three years, and then there were two periods of five years in succession; but during most, I believe all, of those years, there were villages that did not come into the arrangement.

4283. From the means of information you possessed during your experience in Tanjore, should you say, that upon the whole the means of ascertaining the fair rents are satisfactory?—I think that hitherto the information is exceedingly imperfect. During my administration of the sub-division, I found that there was a great extent of produce that had not been brought to account. I am treating at present almost entirely of irrigated land, the other is comparatively of small importance, and the settlement of the villages is always founded upon the amount of produce in the wet land. There are some cases in which the meerassydars held out from not consenting to the fixed teerwa upon the dry land; but that is very seldom the case. I found that there was a very great extent of cultivation that had never been brought to account; and also that the produce in some villages was actually above 100 per cent. more than appeared in the government accounts. The consequence is that the servants of the Company, being aware of their enjoying this surreptitious advantage, levy taxes upon them to a great amount almost at pleasure, and the meerassydars do not complain of this, because they wish the system to continue. When I was in charge of the whole district, I found that the extent of land and produce not brought to account, was even greater than in my own division; and that the information regarding some of the villages was much more erroneous than that of any in my own division, to the amount of 2, 3, and in some few cases 400 per cent. I reported those circumstances as they came before me to the Board of Revenue.

4284. Under those circumstances of defective information, and of the existence

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(No. 17).—EXPORTS FROM FORT ST. GEORGE AND SUBORDINATES.

| | 1827-28 : | | | 1828-29 : | | |
|---|--------------|-----------|-----------|--------------|----------|-----------|
| | Merchandize. | Bullion. | TOTAL. | Merchandize. | Bullion. | TOTAL. |
| To Great Britain on account of the East-India Company | *34,56,906 | 37,01,830 | 71,58,736 | 35,07,741 | 7,32,663 | 42,40,404 |
| Ditto ... on account of Private Individuals | | | | | | |
| To North America | 1,36,424 | — | 1,36,424 | 20,953 | — | 20,953 |
| — South America | 1,16,821 | — | 1,16,821 | 62,906 | — | 62,906 |
| — Brazil | — | — | — | — | — | — |
| — Lisbon | — | — | — | — | — | — |
| — Cadiz | — | — | — | — | — | — |
| — Gibraltar | — | — | — | — | — | — |
| — France | 1,59,660 | 34,750 | 1,94,410 | 1,28,006 | — | 1,28,006 |
| TOTAL ... Madras Rupees | 75,71,641 | 34,750 | 76,06,391 | 37,19,606 | 7,32,663 | 44,52,269 |

* The Returns of 1827-28 and 1828-29 do not distinguish the Amount of Company's Trade from that of Individuals.

(Errors excepted.)

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existence of so much disposition and of so many opportunities for corruption, do you not consider the recurrence of an annual settlement is a great evil?—I do; and I stated, both privately to Sir Thomas Munro and publicly to my superiors, that I was anxious that the true state of the country should be known, and that then a fair settlement should be made, so that the meerassydars might be assured against increase of rent on the part of the government, and against exaction on the part of the government servants; but that as long as this system continued, so long would fraud, bribery, and extortion subsist with it.

4285. During the period you were sub-collector, how many villages had you under your charge?—The whole number of villages paying revenue to government was 5,688, and I had nearly two-fifths of them, namely, 2,044; and my division was more populous than the other. The number in 1824 was 285,166.

4286. In the Madras revenue collections there is a letter from the governor and council of Madras, dated the 5th of March 1813, in which there is the following expression: "Presuming on the information being as accurate regarding Tanjore, &c. as that which a landlord has of his estate." Did anything fall within your observation to enable you to suppose that the government of Madras of that day, or of any subsequent day, had any thing like as accurate a knowledge of the country within their administration, as a landlord has of his estate in England?—I believe the information is very far from being complete; and I believe that both the Madras government under Sir Thomas Munro and the Court of Directors, are quite aware that the information is very imperfect.

4287. Do you conceive it possible to come to any fair estimate of the probable proceeds of those different lands by any other means than by a careful revenue survey?—That system would perhaps be the most satisfactory; but I think that information quite sufficiently accurate could be procured by a careful investigation, without going through so tedious and so expensive a process.

4288. The system of fraud being so notorious and extensive as you have described, did it happen within the period of your residence in that country that any individuals were prosecuted?—I myself have brought several tehsildars to justice, in so far as having proved them to have taken bribes; they were dismissed, and fined to a considerable amount.

4289. By whose authority?—By the authority given by the regulations, requiring the sanction of the Board of Revenue.

4290. Does the collector act under the control of the Board of Revenue?—The collector makes monthly reports to the Board of Revenue of all the fines that he has imposed for that month, with the causes for which they were inflicted;

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(No. 18) —IMPORTS INTO BOMBAY AND SURAT.

| | 1827-28. | | | 1828-29. | | |
|---|--------------|----------|-----------|--------------|----------|-----------|
| | Merchandize. | Bullion. | TOTAL. | Merchandize. | Bullion. | TOTAL. |
| From Great Britain, on account of the East-India Company..... } | * | * | * | * | * | * |
| Ditto .. on account of Private Individuals } | 81,88,899 | 8,040 | 81,96,939 | 78,12,484 | — | 78,12,484 |
| From America | 15,471 | 1,142 | 16,613 | 14,617 | — | 14,617 |
| — Brazile | 1,14,076 | — | 1,14,076 | — | — | — |
| — Lisbon | — | — | — | — | — | — |
| — France | 3,72,258 | — | 3,72,258 | 6,32,917 | — | 6,32,917 |
| — Hamburgh | 1,01,021 | — | 1,01,021 | 73,926 | — | 73,926 |
| TOTAL... Bombay Rs. | 87,91,725 | 9,182 | 88,00,907 | 85,33,944 | — | 85,33,944 |

* The Returns do not furnish the amount of the Company's Trade for these years.

inflicted ; and in some cases the Board of Revenue revises those proceedings. 26 Aug. 1831.

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4291. Does the collector, in any instance of detection and conviction of speculation or malversation, proceed to inflict punishment without first obtaining the sanction of the Board of Revenue?—The collector acts upon the evidence before him upon his own responsibility ; but his proceedings are liable to be revised and even cancelled.

4292. Of what description of persons is the Board of Revenue usually constituted?—The Board of Revenue is appointed by the governor, who is responsible for the fitness of the persons who are so appointed.

4293. Have you found practically that the Board of Revenue has been disposed energetically to support the collector in his attempts to put down the abuses that prevailed?—I feel great delicacy in answering this question ; but I can only speak as to my own case, in which the Board seemed to seek occasion to object, and the government in their answer to the Board supported me in some points against the opinion of the Board, particularly in approving and directing a continuance of those inquiries which the Board ordered to be stopped.

4294. Can the Board of Revenue, in any case, having any local knowledge upon the subject upon which they have to decide?—Some members of the Board of Revenue have been in the revenue department, and therefore they are acquainted with the system, and with the state of the countries where they were.

4295. Supposing an individual felt himself aggrieved by a conviction before the collector, in what way does he address himself for redress to the Board of Revenue at Madras?—He either goes himself, or sends a complaint to them by petition.

4296. Previous to the collector's decisions on such cases being overruled by the Board of Revenue, is he himself heard upon the subject?—He has an opportunity of an explanation.

4297. During the period that you yourself discharged those duties, had you occasion to make any specific reports and suggestions to the Board of Revenue touching the abuses that prevailed within your jurisdiction?—From the time I became acquainted with the state of Tanjore I repeatedly made representations, and particularly when I was in charge of the whole province ; I mentioned that a tehsildar, whom I had turned out and convicted of fraud and bribery to a considerable amount, had represented to me, that in one of the talooks in which he had administered the affairs of government for some time, there was a revenue of a lac of rupees which might fairly be levied from lands and produce that were not brought to the government account. There were other tehsildars who made similar reports of other talooks, but not to the same extent ; and I discovered in my own division, that there was a very considerable extent of land that had never been brought to

Nos. 14-19.—Statements of the Commerce of British India with Great Britain, North America, South America, and Foreign Europe, for 1827-28 and 1828-29; distinguishing the Trade of the East-India Company from that of Individuals, and Merchandize from Treasure—*continued.*

(No. 19).—EXPORTS FROM BOMBAY AND SURAT.

| | 1827-28. | | | 1828-29. | | |
|--|--------------|----------|-----------|--------------|-----------|-----------|
| | Merchandize. | Bullion. | TOTAL. | Merchandize. | Bullion. | TOTAL. |
| To Great Britain, on account of the East-India Company | * — | — | — | — | — | — |
| Ditto .. on account of Private Individuals | 51,46,682 | 5,39,241 | 56,85,923 | 69,46,540 | 13,91,132 | 83,37,672 |
| To America | 6,813 | — | 6,813 | — | — | — |
| — Brazils | 78,568 | — | 78,568 | — | — | — |
| — Lisbon | — | — | — | — | — | — |
| — France | 1,65,356 | 12,960 | 178,316 | 59,957 | — | 59,957 |
| — Hamburgh | — | — | — | — | — | — |
| TOTAL ... Rupees | 53,97,419 | 5,52,201 | 59,49,620 | 70,06,497 | 13,91,132 | 83,97,629 |

* The Returns do not furnish the amount of the Company's Trade.

(Errors excepted.)

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to account, *viz.*, above 1,600 vaylies, equivalent to about 8,000 acres of wet land, and a very large amount of produce.

4298. Are you aware whether any steps were taken, or any inquiries made in consequence of those representations?—In consequence of Sir Thomas Munro's information, from various sources, regarding the real state of Tanjore, he ordered the survey, which was commenced at the time when I left the country.

4299. Who succeeded you in the collection of Tanjore?—Mr. Campbell.

4300. Were not some steps taken by Mr. Campbell for the commencement of the government survey?—Mr. Campbell commenced the survey in a part of the talook of Myaveram. The chief meerassydars there are notorious for being very factious, and I understand that the plan failed; but having left the country, I am not sufficiently acquainted with the particulars. Sir Thomas Munro, from his high opinion of Mr. Campbell's capabilities for conducting this survey, gave him greater powers than were usually given to collectors.

4301. Are you aware of any defaulters or speculators having been brought to conviction by Mr. Campbell during his collectorship?—Merely from hearsay.

4302. Do you know anything of the circumstances of Mr. Campbell's removal from the collectorship?—I know that he was afterwards placed in a high situation at Madras. There is one point that I wish to mention with regard to the frauds that have taken place, that I found, from various accounts, that when the meerassydars of a great number of rented villages demanded remission on account of loss by drought or inundation, in those very years they had a very large increase beyond the standard grain amount; and for their connivance and assistance in perpetrating this fraud, the native servants of the government received very large sums of money. Among other instances, I have found from a suit in court between two meerassydars of a village held in common one proof of the frauds that are practised. The meerassydars have all private accounts of their own, which differ totally from the government account. I believe that the curnums have also two sets of accounts, one for the officers of the government, and one for communications with the meerassydars.

4303. Does it not then appear that all those frauds and abuses have their origin in the looseness of the existing system of settlement?—The greater part of them.

4304. Does the existing system give the native proprietors any permanent interest in the country?—The native proprietors have a very valuable interest, which is saleable either publicly or privately; but the amount given by private sale is generally much greater than by public sale, because in public sales sometimes the servants of the government have made an arrangement beforehand, by which they are to become the purchasers; and although the transaction

No. 20.

ABSTRACT STATEMENT of the Value of **IMPORTS** into Bengal, Madras and Bombay, from Great Britain, Foreign Europe, and North and South America, and of **EXPORTS** from Bengal, Madras and Bombay, to Great Britain, Foreign Europe, and North and South America, in 1827-28, and 1828-29, distinguishing the Imports and Exports by the East-India Company, from those by Individuals, and Merchandize from Treasure.

transaction is public, yet they prevent people coming forward, and the bidding is very often unfair.

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4305. Is it your opinion that the meerassydars would prefer an annual or a temporary settlement to a permanent settlement?—The great meerassydars are averse to having the exact state of their villages known; they have no objection to making the settlement for a long period, provided they are still to enjoy the advantages which they are conscious they possess.

4306. In each case will not it depend upon the amount of concealed lands not brought to account which the individual may hold?—I conceive so; they are very willing to come to a final settlement when that settlement is very inadequate, but when the settlement is quite fair, many of them will not agree to it, in hopes that by some means or other they will get a more favourable offer at a future period. In the revenue letter from Madras, dated the 30th of January 1824, it is stated that the meerassydars might have held out for one season, but that it is not likely that they would have held out longer if the rent were fair. But if the intention of this letter be carried into effect, (for it is stated that this proves that the rent must be too high, and therefore it is proposed to lower it,) that is the very object for which they have held out.

4307. Do the meerassydars at present conceive that they have any considerable interest either in extending irrigation, or otherwise improving their estates?—They throw the whole burthen of sustaining the irrigation upon the government; I have even known an instance in which they were averse to assisting the government with their own people who were in the neighbourhood.

4308. Do you think that a system of settlement, either in perpetuity or for a long term of years, would be beneficial, both as respects the revenue, and as far as regards the well-being and improvement of the condition of the natives?—I consider that a fair settlement for a long period of time would be very advantageous to the people; and if made on equitable terms would not be injurious to the government interests.

4309. What do you mean by a long period?—Fifteen or twenty years.

4310. You have stated that the meerassydar's share of the gross produce amounts to about 40 per cent.: supposing the whole of the lands in Tanjore were brought into the assessment, and that 40 per cent. alone were allowed to the meerassydar, do you conceive that under such circumstances the estates could have any value at all in the market?—Yes, I do.

4311. Do you not imagine that the chief value of the estates sold arises from the quantity of land cultivated, which is not brought into the assessment?—I should consider that in the cases where there is land not brought into account, that would increase the price very materially.

4312. Can you give any idea of the number of meerassydars who have refused

No. 20.—ABSTRACT STATEMENT of the Value of IMPORTS into Bengal, Madras and Bombay, from Great Bombay, to Great Britain, Foreign Europe, and North and South America, in 1827-28, and 1828-29; Merchandize from Treasure.

(Being a continuation of the Statement presented

| I M P O R T S. | | | | | | | |
|---------------------|----------------------------|-----------|-------------|-----------------|-----------|-------------|--|
| FROM GREAT BRITAIN: | | | | | | | |
| | BY THE EAST-INDIA COMPANY. | | | BY INDIVIDUALS. | | | TOTAL Merchandize and Treasure from Great Britain. |
| | Merchandize. | Treasure. | TOTAL. | Merchandize. | Treasure. | TOTAL. | |
| 1827-28.. | 3,48,312 | — | 3,48,312 | 2,94,19,745 | 81,660 | 2,95,01,405 | 2,98,49,717 |
| 1828-29.. | 1,51,916 | 2,46,414 | 3,98,330 | 3,31,97,100 | 26,843 | 3,32,23,943 | 3,36,22,273 |
| . | 5,00,228 | 2,46,414 | 7,46,642 | 6,26,16,845 | 1,08,503 | 6,27,25,348 | 6,34,71,990 |
| E X P O R T S. | | | | | | | |
| TO GREAT BRITAIN. | | | | | | | |
| | BY THE EAST-INDIA COMPANY. | | | BY INDIVIDUALS. | | | TOTAL Merchandize and Treasure to Great Britain. |
| | Merchandize. | Treasure. | TOTAL. | Merchandize. | Treasure. | TOTAL. | |
| 1827-28.. | 1,75,37,150 | 34,58,720 | 2,09,95,870 | 2,08,80,224 | 49,48,050 | 2,58,28,274 | 4,68,24,144 |
| 1828-29.. | 1,41,26,165 | — | 1,41,26,165 | 2,20,94,580 | 33,65,238 | 2,54,59,818 | 3,95,85,983 |
| | 3,16,63,315 | 34,58,720 | 3,51,22,035 | 4,29,74,804 | 83,13,288 | 5,12,88,092 | 8,64,10,127 |

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fused at any period to concur in the requisitions of government?—I could give the number of villages, but not the number of meerassydars.

4313. Does not a meerassydar sometimes possess more villages than one?—A great many, sometimes twenty-five and thirty villages.

4314. And in some instances are there not three or four meerassydars in a village?—In some cases there may be above 100 meerassydars in a village.

4315. Was there any other European assistant in the management of the revenue in Tanjore at the time you were there, besides the collector and the sub-collector?—There was the head assistant and the second assistant to the collector, who were all Europeans.

4316. Do you conceive that that amount of European superintendence was sufficient in any measure to control the disposition to extortion which the native collectors exhibit?—I should consider it sufficient, if it were not that the state of the country is unknown to the government, but is perfectly known to the native servants.

4317. Have the Europeans employed there any other duties to perform besides that of the collection of the revenue?—Yes, the great additional duty is that of magistrate.

4318. Under whose superintendence is the police?—Under the magistrates.

4319. Are you aware of any considerable amount of oppression practised in that district upon the cultivators of the soil, by compelling them to cultivate a quantity of ground in proportion to their circumstances?—No, that system does not apply to Tanjore. During the time I was there, I only recollect one instance in which there was a great dispute between the meerassydars and the parakoodes, which I got settled amicably.

4320. Would the system referred to apply to Madura?—I am not sufficiently acquainted with the district of Madura to be able to state, having been only six weeks there in charge of Ramnad.

4321. Did you ever hear that in that province a species of torture was ever resorted to by the native officers to coerce the ryots to cultivate?—No.

4322. Is it stated in the Revenue Selections, in a letter dated 1818, that "the new laws by their general principles, and not by any specific enactment, took from the native revenue officers the power to punish and confine, which they have exercised to coerce the ryot to cultivate, and annually to take from him all that he is able to pay. The tehsidar was stripped of the ketticole or hand-torture, the stone placed on the head under a burning sun, the stocks, and others of his former insignia of office, by the display and occasional use of which he had been enabled to saddle the ryots with the rents of such lands as he deemed proper." Can you of your own knowledge state whether such proceedings took place in any part of India?—I can only speak with regard to three districts, and no such case ever came to

my

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Britain, Foreign Europe, and North and South America, and of Exports from Bengal, Madras and distinguishing the Imports and Exports by the East-India Company, from those by Individuals, and

during the last Session of Parliament.)

| I M P O R T S. | | | | | | | | |
|-----------------------|-----------|-----------|--------------------------------|-----------|-----------|----------------|-------------|-------------|
| FROM FOREIGN EUROPE : | | | FROM NORTH AND SOUTH AMERICA : | | | TOTAL IMPORTS. | | |
| BY INDIVIDUALS. | | | BY INDIVIDUALS. | | | | | |
| Merchandise. | Treasure. | TOTAL. | Merchandise. | Treasure. | TOTAL. | Merchandise. | Treasure. | TOTAL. |
| 24,38,649 | 10,56,044 | 34,94,653 | 8,73,301 | 28,77,765 | 37,51,066 | 3,30,80,007 | 40,15,429 | 3,70,95,436 |
| 32,61,763 | 4,94,816 | 37,56,579 | 7,59,668 | 17,85,689 | 25,45,357 | 3,73,70,447 | 25,53,762 | 3,99,24,209 |
| 57,00,412 | 15,50,820 | 72,51,232 | 16,32,969 | 46,63,454 | 62,96,423 | 7,04,50,454 | 65,69,191 | 7,70,19,645 |
| E X P O R T S. | | | | | | | | |
| TO FOREIGN EUROPE : | | | TO NORTH AND SOUTH AMERICA : | | | TOTAL EXPORTS. | | |
| BY INDIVIDUALS. | | | BY INDIVIDUALS. | | | | | |
| Merchandise. | Treasure. | TOTAL. | Merchandise. | Treasure. | TOTAL. | Merchandise. | Treasure. | TOTAL. |
| 32,96,663 | 61,210 | 33,57,873 | 24,63,842 | — | 24,63,842 | 4,41,77,879 | 84,67,980 | 5,26,45,859 |
| 28,61,825 | — | 28,61,825 | 23,53,717 | — | 23,53,717 | 4,14,36,287 | 33,65,238 | 4,48,01,525 |
| 61,58,488 | 61,210 | 62,19,698 | 48,17,559 | — | 48,17,559 | 8,56,14,166 | 1,18,33,218 | 9,74,47,384 |

(Errors Excepted.)

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Examiner of India Correspondence.

my knowledge. I beg to add, that I experienced no difficulty in Tanjore in collecting the revenue, and the state of things just referred to does not exist, at least as far as my knowledge goes.

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4323. The letter which has been quoted has reference to some relief given from the evils that existed under the ryotwar system; are you aware whether the new regulations do, in point of fact, prevent practices of that nature?—I am not aware of it. I know that that system did prevail of forcing the ryot either to cultivate that which he was unwilling to cultivate, or to pay for land that he did not cultivate; but it was not in Tanjore, and I do not know how it is at present situated.

4324. Have you examined the mound of the Cauvery in Tanjore?—I have; it is of very great extent. The river is divided by the island of Seringam, and it would be rejoined at the other end of the island, but for this work, which is erected in consequence of the southern portion of the river flowing in a higher bed than the northern, and taking advantage of this circumstance, this annicut is built to throw the river into the Tanjore district.

4325. Is it not from that work that the great fertility of that part of the country principally arises?—It is.

4326. Is not that a work of an ancient date?—It is; before we had possession of the country.

4327. Is it kept in good repair at this moment?—That and all the other works are paid particular attention to. I have here a table of the annual expense of the works for irrigation for every year, and the most minute attention is paid to keeping the channels clear, and promoting irrigation by every means.

4328. Have you seen several other situations in India, where works of a similar nature, on a smaller scale, might be applied with great advantage to the country?—I have not seen any places where it could be carried to much greater extent than it is, but I have no doubt that there are such places.

4329. Do you not conceive that in that part of India irrigation may be carried, with proper attention and outlay of capital, to a considerably greater extent than it is now carried to?—I am not aware that any very great addition could be made. In the Ceded District there is a tank between two hills, which I believe is twenty miles in circumference.

4330. Should you say that in Madura the irrigation is carried to as great an extent as it might be?—I have no doubt that it might be in some degree improved; but in regard to the district of Ramnad we are only in temporary possession, and I am not aware of the state of the zillah of Madura itself.

4331. The language of Tanjore is the Tamul, is it not?—It is.

4332. In what language are the revenue accounts kept?—The revenue accounts are generally in the Mahratta, and the accounts in the district are

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No. 21-22.—AN ACCOUNT of the QUANTITY and VALUE of CARGOES exported by American Ships from the different Ports of British India, for the Years 1827-28 and 1828-29.

(Being a continuation of the Account presented during the last Session of Parliament.)

No. 21.—BENGAL.

| | 1827-28. | | 1828-29. | |
|---|-----------|---------------|-----------|---------------|
| | Quantity. | Value. | Quantity. | Value. |
| | | <i>S. Rs.</i> | | <i>S. Rs.</i> |
| Piece Goods bales | — | 4,36,694 | — | 6,53,314 |
| Shawls parcels | — | 240 | — | — |
| Indigo chests | 3,048 | 8,48,779 | 1,483 | 4,75,899 |
| Sugar bags | 207 | 4,234 | 4,775 | 97,214 |
| Silk bales | — | — | — | — |
| Saltpetre bags | 14,795 | 1,21,626 | 20,148 | 1,72,449 |
| Grain | 500 | 2,500 | — | — |
| Gums packages | 271 | 8,956 | — | 6,133 |
| Cotton bales | — | — | — | — |
| Gunnies and Gunney Bags | 293 | 2,325 | 1,386 | 4,516 |
| Shell-lac, Lac-lake, Lac-dye, } and Stick-lac } maunds | — | 52,940 | — | 49,228 |
| Turmeric packages | 1,194 | 5,220 | — | 3,220 |
| Ginger | 2,295 | 8,264 | — | 21,107 |
| Castor Oil | — | — | — | — |
| Cocoa Nut Oil | — | — | — | — |
| Safflower | — | — | — | — |
| Skins and Hides | — | 41,541 | — | 45,893 |
| Tallow Candles | — | — | — | — |
| Wax. . . ditto boxes | 15 | 1,065 | — | — |
| Sugar Candy | — | — | — | — |
| Seeds of Sorts bags | — | — | — | — |
| Wearing Apparel | — | 1,649 | — | — |
| Sal Ammoniac maunds | — | — | — | 5,051 |
| Elephants' Teeth | — | — | — | — |
| Borax and Tincal packages | — | — | — | 5,719 |
| Salt Provisions | — | 2,037 | — | 867 |
| Canvas and Vitry bales | — | — | — | — |
| Hemp, Flax, and Twine bundles | 2,559 | 28,047 | — | 24,044 |
| Carpets and Blankets | — | 197 | — | — |
| Tobacco | — | — | — | 585 |
| Munjeet | — | — | — | — |
| Carriages | — | — | — | — |
| Cutch | — | — | — | — |
| Cordage | — | 119 | — | — |
| Sundries | — | — | — | — |
| Spices | — | — | — | — |
| Madeira Wine pipes | — | — | — | — |
| Liquors | — | 2,590 | — | 195 |

(continued.)

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all in the Tamul. When they reach the talook office they are converted into the Mahratta, in which state they are sent up to the European office.

4333. After that are they again translated, or are they sent in the Mahratta to the Board of Revenue?—All the accounts that accompany the annual reports are sent in English; but of late years Sir Thomas Munro added to the Board of Revenue some native officers, to whom the Mahratta accounts are now sent.

4334. Are the natives of Tanjore generally acquainted with the Mahratta language?—Not in general; but the cleverest accountants are the Mahratta Brahmins, which is the cause of the accounts being kept by them.

4335. Then in the event of a reference to the revenue accounts on the part of the cultivators, which accounts would they see, the Mahratta accounts or the Tamul accounts?—The Tamul accounts. Besides the village or vuttum curnum's own account, there is a curnum of a larger district (Mahanum), whose accounts are also in Tamul; those are sent to the talook office, and there they are deposited at the same time that they are put into Mahratta.

4336. You have stated that you understood the native languages, and transacted all your business with them in the language of the people that you communicated with; is that generally the case with the Company's servants?—No; there are some cases where the collectors and judges have learned one language or two languages, and then they are sent to a district where there is a third language spoken, and in that case they are obliged to communicate by means of interpreters.

4337. Is not it one of the peculiar difficulties of the Madras presidency the number of languages spoken within that presidency?—It is.

4338. How many native languages might you meet with within that presidency?—The Tamul and the Teloo goo are the two prevailing languages. On the Malabar coast there is the Mallyalum, and in the north-western portion the Canarese, but that only prevails in one district, although it is known in the Ceded Districts. The Hindostanee is sometimes made use of, as in the case of the late Mr. Peter, the collector of Madura; he generally communicated in Hindostanee, which is the French of India; it is understood by most natives of education.

4339. If one language was to be studied, either in this country or in India, by any individual going to that presidency, which of those languages would you advise him to make himself master of?—I should conceive that the Tamul and the Teloo goo would be the most likely to be useful, because the Hindostanee would not enable him to communicate with the lower rank of natives in the country excepting the Mussulmen themselves, whereas the Tamul and the Teloo goo prevail over several very large districts.

4340. Do the government pay much attention to the qualifications of the young gentlemen that go out as writers, with respect to making themselves perfect in some of those languages?—They are encouraged as much as possible

sible to become acquainted with them; but perhaps in their after service those languages may not be of so much use as might be expected. 26 Aug. 1831.

A. Sinclair, Esq.

4341. What languages did you make yourself master of, and at what period did you acquire them?—In the college at Haileybury I made myself pretty well acquainted with Persian, studied a little Hindostanee, and began Sanscrit. When I arrived at Madras, I was told “these languages will be of no use to you, you must select two other languages to learn.” I then chose, first, Tamul or Malabar, and secondly, Teloogoo or Gentoo; I was consequently more intimately acquainted with the Tamul than with the Teloogoo; but when sent up the country, I was sent to the district of Cuddapah, where the Teloogoo was spoken; I however was able to transact the whole business without an interpreter, and dictated decrees in the language of the country. When I came home, and returned four years afterwards, I was appointed to a district where the Malabar was spoken, and I was enabled to manage the business and to converse with the natives without an interpreter.

4342. In part of your evidence you have stated, that when Tanjore in 1800 fell under our particular management, from that time the revenue began to decline; have you had an opportunity of looking at the Revenue Selections that have been laid before this Committee?—I have not seen them of late.

4343. It appears from that, that the revenue had been declining before that period, and from that time became greater for several years?—It was the amount of produce that appeared to decrease; the revenue might vary on account of price. I merely stated, that during the last two years of the Aumancee system there had been very great plunder, and that the revenue had decreased so much that there was an inquiry appointed.

4344. Was it from the decrease of revenue that it was taken into the hands of the government?—No; it was in the hands of the government for the first four years, and it was during that time that this system of fraud, which was almost universal throughout the district, took place.

4345. In alluding to the extensive frauds committed by the government native servants, do not you ascribe them chiefly to the very low rate of payment which those servants receive?—Not altogether to that cause, because the tehsildars are very handsomely paid; they have one hundred and forty rupees a month; but I conceive that no pay would prevent them from taking money from the people, so long as the present system makes the temptation so very powerful.

4346. Do you conceive them to be more apt to commit frauds than the lower classes of people in this country?—I consider the present system has caused a great degeneracy of morals there, and that they are very much worse than the people of this country.

No. 21-22.—An Account of the Quantity and Value of Cargoes exported by American Ships from the different Ports of British India, for the Years 1827-28 and 1828-29—
continued.

No. 22.—FORT ST. GEORGE.

| | 1827-28. | | 1828-29. | |
|----------------------------|-----------|---------------------------|-----------|-------------------------|
| | Quantity. | Value. | Quantity. | Value. |
| Piece Goods pieces | — | <i>S. Rs.</i> 1,06,998 | — | <i>S. Rs.</i> 19,973 |
| Coffee | — | — | — | — |
| Goat Skins bales | — | 5,439 | — | 980 |
| Skins, Tanned | — | — | — | — |
| Soap | — | — | — | — |
| Tin | — | — | — | — |
| Ale and Beer | — | 192 | — | — |
| Brandy | — | 20 | — | — |
| Turmeric | — | — | — | — |
| Ginger | — | — | — | — |
| Cochineal | — | 23,732 | — | — |
| Indigo | — | — | — | — |
| Saltpetre | — | — | — | — |
| Pepper | — | — | — | — |
| Oilmans' Stores | — | 18 | — | — |
| Provisions | — | — | — | — |
| Sundries | — | 25 | — | — |
| TOTAL | — | 1,36,424 | — | 20,953 |

No. 23.—BOMBAY.

| | 1827-28. | | 1828-29. | |
|--|-----------|--------------------|-----------|--------------------|
| | Quantity. | Value. | Quantity. | Value. |
| Alum | — | <i>S. Rs.</i> — | — | <i>S. Rs.</i> — |
| Aloes | — | — | — | — |
| Benjamin | — | — | — | — |
| Coir and Coir Ropes | — | 1,304 | — | — |
| Camphire | — | — | — | — |
| Canes and Rattans | — | — | — | — |
| Cardamoms | — | — | — | — |
| Coca, white (Arrowroot) | — | — | — | — |
| Cassia and Hogkessen (Cassia Buds) | — | — | — | — |
| Chundroose (Capul) | — | — | — | — |
| Coffee | — | — | — | — |

(continued..)

26 Aug. 1831. 4347. Is that in consequence of the system under which the government exact the revenue?—From the present system of administering the revenue.
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4348. And consequently might not a change of that system naturally be expected to produce an improvement in their morals?—Yes : at the same time the character of the natives is such that they seem to have no idea of justice or truth ; they consider justice as deciding in their favour, and injustice as deciding against them, and they have not much idea of gaining justice except by means of bribery. I think they have very great confidence in the Europeans generally, but the only reason why they have not absolute confidence in them is, that they are afraid that they will be imposed upon by the native servants around them ; and therefore, even in the zillah court, they bribe the servants of the judge, although the judge may be a person of unimpeachable character, as in the case of the judge of Tanjore while I was there.

4349. Must not that be more particularly the case where the judges do not understand the native languages?—It must render them more liable to being imposed on.

4350. If complaints were brought to you, as collector, from the natives, did you not generally inquire into them, and remedy them if you could?—I did ; I sat outside of the office, and received complaints from all who had any to present. As many sometimes as one hundred people in a day, came with complaints of various sorts, some of them relating to the magistrate's office, some regarding their own neighbours, and some regarding irrigation and other subjects ; and I endeavoured to give justice on the spot, if possible ; but if it was impossible, I took the best means that occurred to me to procure justice.

4351. Could a collector, who did not understand the language of the people, have done so?—He might, through an interpreter.

4352. During the time you were in that situation, did any complaint ever come to you that a person had been tortured?—I have no recollection of any case in which torture was proved ; I recollect that there may have been a case, though very rarely, in which complaints were made, but I never recollect a case being established. There was no case in which a man came and showed any appearance of having been tortured ; but when the natives make a complaint, they generally throw in a great number of circumstances which are utterly destitute of foundation, merely to make up a strong case. When Sir Thomas Munro passed through the district he took petitions from hundreds of people, and it appeared that none complained of such oppression.

4353. You have stated that, when the government take possession of one of the villages, the person who is put in as moneygar is very often a man of bad character : is the collector aware, at the time that he puts that village in

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No. 21-22.—An Account of the Quantity and Value of Cargoes exported by American Ships from the different Ports of British India, for the Years 1827-28 and 1828-29—*continued.*

| | | | | 1827-28. | | 1828-29. | |
|-----------------------------------|----|----|---|-----------|---------------|-----------|---------------|
| | | | | Quantity. | Value. | Quantity. | Value. |
| No. 23.—BOMBAY— <i>continued.</i> | | | | | <i>S. Rs.</i> | | <i>S. Rs.</i> |
| Brought forward | .. | .. | — | — | 1,304 | — | — |
| Cornelians | .. | .. | — | — | — | — | — |
| Cotton | .. | .. | — | — | — | — | — |
| Dates | .. | .. | — | — | — | — | — |
| Elephants' Teeth | .. | .. | — | — | — | — | — |
| Galls, Persia | .. | .. | — | — | 450 | — | — |
| Ginger | .. | .. | — | — | — | — | — |
| Grain | .. | .. | — | — | — | — | — |
| Gum Ammoniac | .. | .. | — | — | — | — | — |
| Capul, Chundroose | .. | .. | — | — | 2,516 | — | — |
| Arabic | .. | .. | — | — | 1,493 | — | — |
| Myrrh | .. | .. | — | — | 450 | — | — |
| Columbo Root | .. | .. | — | — | — | — | — |
| Hides and Skins of sorts | .. | .. | — | — | — | — | — |
| Hingra (Assafœtida) | .. | .. | — | — | — | — | — |
| Indigo | .. | .. | — | — | — | — | — |
| Ivory Work and Ware | .. | .. | — | — | — | — | — |
| Latch of different sorts | .. | .. | — | — | — | — | — |
| Mace | .. | .. | — | — | — | — | — |
| Nankeens | .. | .. | — | — | — | — | — |
| Oil of different sorts | .. | .. | — | — | — | — | — |
| Olibanum | .. | .. | — | — | — | — | — |
| Pepper | .. | .. | — | — | — | — | — |
| Munjest (Madda) | .. | .. | — | — | — | — | — |
| Nutmegs | .. | .. | — | — | — | — | — |
| Piece Goods | .. | .. | — | — | — | — | — |
| Revancherry Seerah (Gumboge) | .. | .. | — | — | — | — | — |
| Saltpetre | .. | .. | — | — | — | — | — |
| Sappan, Brazil Wood | .. | .. | — | — | — | — | — |
| Seeds of various sorts | .. | .. | — | — | — | — | — |
| Shawls | .. | .. | — | — | — | — | — |
| Sugar | .. | .. | — | — | — | — | — |
| Tea | .. | .. | — | — | — | — | — |
| Myrrh | .. | .. | — | — | — | — | — |
| Tin | .. | .. | — | — | — | — | — |
| Tortoiseshell | .. | .. | — | — | 550 | — | — |
| Tutenague | .. | .. | — | — | — | — | — |
| Turmeric | .. | .. | — | — | — | — | — |
| Wax | .. | .. | — | — | — | — | — |
| Vermilion | .. | .. | — | — | — | — | — |
| Cubebs | .. | .. | — | — | — | — | — |
| Cudiakhur (Borax) | .. | .. | — | — | — | — | — |
| Sundries | .. | .. | — | — | 50 | — | — |
| | | | | — | 6,813 | — | — |

East-India House, }
22d February 1831. }

(Errors excepted.)

J. MILL,
Examiner of India Correspondence.

in his possession, that he is a man of bad character?—No, that situation is not filled up by the collector; it is generally filled up by the tehsildar. 26 Aug. 1831.

A. Sinclair, Esq.

4354. Is not the tehsildar the confidential revenue officer of the collector? —He is the head administrator of the talook; but it is impossible, where there are so many offices given away, that the collector should inquire into the character of every individual. One reason I have for saying that I recollect the monygar's situation to be so very low is, that the peishkar only gets seventeen rupees a month, and he has the whole district under him; and consequently, a person who is put in charge of a single village, or of two or three small villages, cannot have the half of that.

4355. How would you propose that the information should be obtained which you say is wanted with regard to the revenues of Tanjore?—It would require a very active person to make investigations for several successive years, and to inquire of every person at all acquainted with the state of the different parts of the country, and to verify the information occasionally by measuring the land, and by estimating and measuring out the produce or a portion of it.

4356. Are you aware that a measurement had commenced in Tanjore, and that the natives showed so much objection to it, that the government in the meantime withdrew it?—I am aware of that fact; but I conceive that the opposition to it arose from the desire to continue their system of concealment.

4357. If any individual, without going minutely into a measurement, was merely to give his opinion that such and such villages would bear additional assessment, or that he believed there was a certain quantity of land concealed in those villages, might not that individual, giving an opinion loosely, be apt to be much mistaken, and lead the government to make an assessment which might be very unjust to the people?—I think, that if he took all the information that could be got, and was at all judicious, there would be no great danger of his exceeding the real state.

4358. You have stated, that when one of the revenue servants is reported to have acted with impropriety, the collector decides and acts upon his own responsibility; does not he also immediately report to the Board of Revenue what he has done?—There is an order of late years, that they should immediately report in the case of any of the servants of the highest rank, such as sheristadars and tehsildars; he may dismiss the others without reporting; but every thing is reported at the end of the month, with respect to all above a certain rank receiving a certain sum of pay.

4359. Upon the whole, what is your opinion with regard to the happiness and comfort of the inhabitants of Tanjore at the time you were there?—At the time I was there they seemed to be very comfortable. I can chiefly judge from the facility with which the revenue was collected.

4360. Is it your opinion that the assessment upon that country is a light assessment?

No. 24.—AN ACCOUNT of the Quantity of AMERICAN TONNAGE which has cleared out from different Ports of British India, in 1827-28 and 1828-29.

(Being a continuation of the Account presented during the last Session of Parliament.)

| | 1827-28. | | 1828-29. | |
|---|----------|-------|----------|-------|
| | Ships. | Tons. | Ships. | Tons. |
| From Calcutta for America | 11 | 3,254 | 11 | 3,570 |
| — Calcutta for the Coromandel Coast | — | — | — | — |
| — Madras for America | 1 | 331 | — | — |
| — Madras for Calcutta | 1 | 331 | 1 | 280 |
| — Madras for Ceylon | — | — | — | — |
| — Ingeram for Tranquebar .. | — | — | — | — |
| — Bombay for America | — | — | — | — |
| — Bombay for Calcutta | — | — | — | — |
| — Bombay for Penang and Eastward Islands } | — | — | 1 | 229 |
| Total for America | 12 | 3,585 | 11 | 3,570 |
| Total from Port to Port in India .. | 1 | 331 | 2 | 509 |
| | 13 | 3,916 | 13 | 4,079 |

(Errors excepted.)

East-India House, }
22d February 1831. }

J. MILL,
Examiner of India Correspondence.

26 Aug. 1831. assessment?—It is a very light assessment in some places; and I think in very few cases is it heavy.

A. Sinclair, Esq. 4361. Was the population upon the increase?—I am not aware; I should think that it was nearly stationary; it is a great exporting country, and has been so for so many years, that no increase of food would be likely to create an increase of people, because already they have much more than they can possibly consume.

4362. You are understood to have stated that you considered the assessment as extremely unequal; that in many instances cultivated lands were wholly exempted, and that in other cases they were inordinately taxed?—No, I do not consider them inordinately taxed anywhere, or a remedy would be applied. There may be some few villages that are taxed rather high; not more, however, than they can pay; but there is great variation, from the unknown advantages which so many possess.

4363. How does it happen that in frequent instances the government is obliged to take the management of the estates of the meerassydars into their own hands, the meerassydars not acquiescing in the rent proposed to be affixed?—In the case of Moopen, who was a great cavilgar, and has a great many villages, it has always been considered to be a feeling of pride; and although the villages may produce even more than the standard grain amount, yet there are several advantages which they consider themselves to possess, besides the hope of getting a more favourable assessment at a future period; their having no responsibility for the sale of the grain is one.

4364. You have stated that you consider the assessment generally to be a light one; do you not consider that the tax of 40 per cent. of the gross produce is an inordinate tax?—I do not, in a case where the produce is so great, and where it is so very fertile; in a poorer country it might be so.

4365. Do you conceive that, in those cases in which there is no concealed land cultivated, the assessment is in such cases a light one upon the people?—I should consider it a fair assessment in those cases.

4366. You mean in so far as the government claim went?—No, in as far as all parties are concerned.

4367. Is there not a considerable extortion on the part of the revenue officers?—I consider it to be a proof of its being a light assessment that they still can afford to pay those extortions of the officers.

4368. When you were in Cuddapah, who was the collector?—Mr. Hanbury.

4369. Was he conversant with the language of the country?—He spoke the language of the country very fluently.

4370. Did any settlement take place during the time you were in Cuddapah?—I was there for two years, and consequently there were two settlements.

4371. Were

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 299

No. 25.—AN ACCOUNT of the Quantity of TONNAGE employed annually in the Country Trade between the different Ports of British India and Canton, for the Years 1827-28 and 1828-29.

(Being a continuation of the Account presented during the last Session of Parliament.)

| In the Y E A R | Exported from the Ports of British India for Canton. | | | | | | | |
|-------------------|--|--------|--|-------|---------|--------|--------|--------|
| | CALCUTTA. | | FORT ST. GEORGE and Ports subordinate. | | BOMBAY. | | TOTAL. | |
| | Ships. | Tons. | Ships. | Tons. | Ships. | Tons. | Ships. | Tons. |
| 1827-28. | 27 | 17,079 | 5 | 5,122 | 37 | 27,690 | 69 | 49,891 |
| 1828-29. | 16 | 11,544 | 4 | 4,376 | 36 | 25,731 | 56 | 41,651 |
| | 43 | 28,623 | 9 | 9,498 | 73 | 53,421 | 125 | 91,542 |

| In the Y E A R | Imported from Canton to the Ports of British India : | | | | | | | |
|-------------------|--|--------|--|--------|---------|--------|--------|--------|
| | CALCUTTA. | | FORT ST. GEORGE and Ports subordinate. | | BOMBAY. | | TOTAL. | |
| | Ships. | Tons. | Ships. | Tons. | Ships. | Tons. | Ships. | Tons. |
| 1827-28. | 18 | 6,159 | 10 | 5,342 | 30 | 16,748 | 58 | 28,249 |
| 1828-29. | 14 | 5,928 | 7 | 4,810 | 30 | 17,544 | 51 | 28,282 |
| | 32 | 12,087 | 17 | 10,152 | 60 | 34,292 | 109 | 56,531 |

(Errors excepted.)

East-India House, }
22d February 1831.

J. MILL,
Examiner of India Correspondence.

4371. Were you present upon that occasion?—I happened by accident to be present upon one occasion. 26 Aug. 1831.

4372. Did the result of the settlement upon that occasion appear to you to leave a satisfactory impression upon the mind of the people?—I had a very scanty means of judging upon that occasion; but it appeared to me that a good many of the inhabitants objected to the settlement. *A. Sinclair, Esq.*

4373. When you state that the revenue is easily collected in Tanjore, and deduce from that the conclusion, that the settlement is a light one, are you aware that there are very considerable fluctuations in the amount of the revenue derived from Tanjore?—That is owing to the variation of price in the grain.

4374. Is it not the practice, in calculating the government share of the gross produce of the soil, first to calculate it as if it were to be taken in kind, and that quantity again calculated by the average price existing in the country?—It is.

4375. Would it not follow from thence, that in years of scarcity, and when the price had risen considerably, the government revenue would be the largest?—Yes. The drought in the neighbouring countries does not affect Tanjore at all materially, because the Cauvery is filled from the Malabar side of the country, where the monsoon I believe never fails; and consequently, although there may be a famine around, I believe there never was a scarcity in Tanjore. They always have a great quantity of grain to export, even in years of famine in the neighbourhood, owing to their deriving their supplies of water chiefly from the Malabar coast.

4376. You have stated that Tanjore is a great exporting country; what returns do they receive for the produce exported?—I believe, generally, money.

4377. Is there a greater accumulation of money in Tanjore than in other provinces of India?—A great quantity of the money of Tanjore is sent in the shape of revenue to Madras; much is not conveyed by orders or bills; it is mostly remitted in money.

4378. Then according to that system, money is constantly returning again, and constantly going out?—Yes.

4379. Is there not a greater portion remains in Tanjore than in the other provinces of India?—I believe there is a great deal of money in Tanjore, but I cannot compare it with other provinces. There must be more money in a rich province than in a poor one, and Tanjore is the richest province under the Madras government.

4380. Are any of the mecrassydars men of prudent, saving habits?—In general they are not; the great mecrassydars are like great landholders elsewhere, they are very often encumbered with debt; and on the occasion of a marriage, or other great ceremony, they do not limit their expenses by any regard to the future.

4381. In

No. 26.—AN ACCOUNT of the PROFIT and Loss upon the Trade of the EAST-INDIA
and the North American Colonies ; stating each separately,

(In continuation of an Account dated 17th March 1830, printed in

| PROFIT or Loss upon the TRADE of the East- | | | | | |
|--|---|-----------------------------|--|-------------------------------|-----------------|
| UPON IMPORTS | | | | | |
| | Prime Cost, calculated at the Rates fixed by the Board of Commissioners for the Affairs of India for the Repayment of Territorial Advances;—viz. 2/ the Curr ^t Rupee, 2/3 the M ^s Rupee, and 2/3 the B ^y Rupee. | FREIGHT and DEMORAGE. | Charges of Merchandize calculated at 5 per cent. on the Sale Amount of the Goods. | TOTAL COST and CHARGES. | SALE AMOUNT. |
| | £. | £. | £. | £. | £. |
| 1829-30.... | 1,512,506 | 103,050 | 57,592 | 1,673,148 | 1,151,856 |

| UPON EXPORTS TO INDIA. | | | | | | |
|------------------------|--|--|----------------------------------|--|---------|--------|
| | Prime Cost, Freight and Charges in England. | Charges in India, calculated at the Rates before stated. | TOTAL COST and CHARGES. | Sale Amount, calculated at the Rates before stated. | PROFIT. | LOSS. |
| | £. | £. | £. | £. | £. | £. |
| 1828-29..... | 135,530 | 5,419 | 140,949 | 74,550 | — | 66,399 |

* The Words in *Italic*, and the large Figures in

26 Aug. 1831.

A. Sinclair, Esq.

4381. In the event of their accumulating any capital, what means have they of disposing of it?—I believe they generally bury it; there is no means of their employing it to any extent, and there is no place where they would feel disposed to deposit it.

4382. Would they be disposed, if the government gave them facilities, to deposit it in the coffers of the government?—No; and it would be exceedingly troublesome to have such a complicated account.

4383. Would it not be attended with great advantage to that province, if banks were established?—I think a bank might be of use.

4384. Do you not conceive that permission to Europeans to reside generally in India would be likely to lead to such establishments?—It might have that effect.

4385. Under such circumstances, do you not conceive that the trade of the province might be considerably augmented?—I am not aware that it would.

4386. Is not Persian the language in which the transactions of the courts of justice are carried on?—The transactions of the courts are carried on in the native language, but there is at the same time a Persian record kept, in consequence of there being a native judge attached to the court.

4387. Are the proceedings in those courts, and the examinations of witnesses all carried on in the native language?—All in the native language.

4388. How are the records of the court kept?—The records are kept in both languages, in the native language and in the Persian language.

4389. Do you not conceive that by the practice of keeping revenue accounts in the Mahratta language, that not being the language of the country, unnecessary difficulties are interposed in the management of the revenue?—I cannot say that I have found any difficulty in consequence.

4390. Do you yourself know the Mahratta language?—No; I merely know the figures, which are more convenient than those of the Malabar or Gentoo.

4391. Did any of the Europeans connected with your establishment know it?—No; I believe it is very seldom known.

4392. How many of the natives know the Mahratta language?—All the Mahratta Brahmins, and a great number of the higher caste of Brahmins, are acquainted with that language.

4393. Are the native revenue officers chiefly composed of that class?—Generally; because they are considered the most able of the natives.

4394. You have stated that you have been in the habit of communicating very freely with the natives in their native language, and consequently you must have had opportunities of observing their character. Setting aside that disposition to overreach which prevails among them, do you not consider that the character of the natives of that part of India is upon the whole the character

COMPANY between Europe and India, Europe and China, India and China, and China to the latest Period to which the same can be made up.

Appendix to Second Report on East-India Company's Affairs, p. 1128.)

India Company between Europe and India.

FROM INDIA.

| PROFIT. | LOSS. | Charges in India not added to the Invoices; also, Profit or Loss from Interest and Exchange, and Loss by Bad Debts, &c. in each previous Year, calculated at the same Rate. | NET PROFIT. | NET LOSS. | — |
|---------------------------------------|---------|---|-------------|-----------|--------------|
| £. | £. | • <i>Net Profit.</i> | £. | £. | |
| — | 521,292 | 1,751 | — | 519,541 | 1829-30 |
| TOTAL TRADE BETWEEN EUROPE AND INDIA. | | | | | |
| PROFIT. | LOSS. | Losses at Sea, on Consignments between Europe and India, including Jettisons, Salvages, &c. | NET PROFIT. | NET LOSS. | — |
| £. | £. | £. | £. | £. | |
| — | 585,940 | — | — | 585,940 | 1828-29 |

(continued..)

this Column were written in Red Ink, in the MS.

character of a frank and generous people, peculiarly sensible of gratitude? 26 Aug. 1831.
—I cannot subscribe to that opinion; I do not think they are frank or generous, and gratitude is a word which does not exist, I believe, in any of the native languages. A. Sinclair, Esq.

4395. Does it not exist in the hearts of the natives?—I should think there was not a great deal of gratitude.

4396. You do not consider that they are a people upon whom kind treatment will produce a better effect than harsh treatment?—They would not be insensible to kind treatment, but it seldom makes the same impression that it would in other countries.

4397. Did you not find them sensible of your anxiety to do them justice?—I found some of them so; but when an officer is gone, I do not think that they preserve much regard for him.

4398. You said that the word “gratitude” is not to be found in their language; is not the word “ingratitude” to be found there?—There is no simple word for it; they have a phrase, *nunre-arcamei*, meaning “the state of not knowing benefit.”

4399. Are not the natives, generally speaking, more likely to place confidence in persons out of the Company’s service than in those in the Company’s service, and more at ease in dealing with such persons?—I think that, excepting when a native’s own concerns are at stake, he would communicate with the government’s European servants very freely. I do not think he will communicate with any person regarding his own private affairs; but upon any other point, upon the state of the country, or the affairs of his neighbours, he has no objection to communicate.

4400. Are they not exceedingly servile to gentlemen in power, and much more so than to those people whom they are more upon a footing with?—They are exceedingly submissive both to native officers and to Europeans, but perhaps more so to the native officers than to Europeans.

4401. Are not the crops frequently left upon the field covered over with straw without any protection?—Under merely the protection of the watchman.

4402. Are not the pullers a class of persons who have but a bare subsistence?—They have a subsistence upon coarse grain.

4403. Nevertheless are instances of stealing among them frequent?—Not frequent of stealing from each other; when grain is carried off, it is generally done in consequence of dispute.

4404. Has any thing been done of late years towards the education of the people?—There is a missionary who has a school in the district, but I am not aware of any other means having been taken.

4405. Have the goodness to refer to page * of Mr. Gordon’s evidence, where you will find your name quoted as an authority for what is stated

* 62.

No. 26—continued.—PROFIT or LOSS upon the TRADE of

UPON IMPORTS

| — | Prime Cost, calculated at 6s. 8d. the Tale. | Freight and Demorage. | Charges of Merchandise calculated at 5 per cent. on the Sale Amount of the Goods. | Supracargoes' Commission. | TOTAL COST and CHARGES. |
|---------------|---|--------------------------|--|------------------------------|-------------------------------|
| | £. | £. | £. | £. | £. |
| 1829-30 | 1,711,892 | 477,142 | 151,874 | 44,766 | 2,385,674 |

UPON EXPORTS

| — | Prime Cost and Charges in England. | Freight paid in England. | Charges in China and Expense of Unloading, at 6s. 8d. the Tale. | Supracargoes' Commission paid in England. | TOTAL COST and CHARGES. |
|---------------|--|-----------------------------|---|--|-------------------------------|
| | £. | £. | £. | £. | £. |
| 1828-29 | 657,351 | 15,032 | 1,165 | 14,350 | 687,898 |

No Losses at Sea occurred on Consignments between Europe and China in this Year.

| | | | | | | |
|---|----|----|----|----|----|----------|
| Profit upon Imports from China brought down | .. | .. | .. | .. | .. | £650,377 |
| Ditto upon Teas sent to Canada | .. | .. | .. | .. | .. | 14,270 |
| Ditto ditto Halifax | .. | .. | .. | .. | .. | 5,785 |

Total Profit on the China Trade £670,432

Had the Company's Profit and Loss Accounts been made up at the Mercantile Rate of Exchange, as ascertained from the rates at which Bills have been drawn from London on Calcutta in each Year, instead of the Rates fixed by the Board of Commissioners for the Affairs of India, as regards the re-payment of Territorial Advances, the above Account of their Trade

between

26 Aug. 1831. in that answer. Is it a fact that the inhabitants in the first place cannot move from place to place, even to carry from village to village a burden, without a passport?—As far as my information reaches it is not the case in Tanjore. This answer seems principally to relate to the chank divers and chayaroot diggers. With that part of the subject I am quite unacquainted; but with reference to the cultivators, I only recollect that one case which I have already mentioned, and then I got the difference arranged.

A. Sinclair, Esq.

4406. Were any of the native judges established in Tanjore when you were there?—Yes.

4407. How did they perform the duty?—The head native judge was a man of first-rate character; I had the highest opinion of him, and often conversed with him, and received visits from him.

4408. Had the natives confidence in his decisions?—I believe that in his decisions they had; but some of the talook moonsiffs, who were in inferior stations, were not so highly considered; in fact, some of them were very generally accused of corruption, as well as incompetency.

4409. Is it your opinion that that system can be extended so as to make it beneficial to the country?—I do not conceive that it can be extended further than it has been.

4410. Do you think it still necessary to limit the decision of the judge to a certain amount?—I think that as there is an appeal, and as it is in the discretion of the judge whether the native judges shall have the larger cases or not, the range might be considerably extended; but I do not conceive that the number of zillah judges could be decreased.

4411. To whom does the appeal lie from the native judge now?—To the zillah judge, and then to the provincial court.

4412. Are you aware of the extent of district over which the zillah court of Tanjore extends?—Yes.

4413. Do you know whether the amount of the population under it is as much as 1,300,000?—I think that may be correct.

4414. Do you think the zillah courts at Madras are sufficient to control as well as to decide appeals from the native courts?—I am not aware of what is the present state, but I know that at one time they were very insufficient, particularly on the Malabar coast.

4415. Was not there a consolidation by Sir Thomas Munro of some zillahs in that district?—Yes.

4416. Do you conceive that one zillah court for so large a population as you have described is sufficient to administer justice to the people of that part of India?—I consider it scarcely sufficient to superintend it properly.

4417. What would be the greatest distance that a ryot would have to travel, supposing he were either a party or a witness in a civil cause, and
supposing

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 303

the East-India Company between EUROPE and CHINA.

FROM CHINA.

| Sale Amount. | Profit. | Charges in China of the previous Year, not added to the Invoices, &c. at 6s. 8d. the Tale. | NET PROFIT. | — |
|--------------|---------|--|-------------|---------------|
| £. | £. | £. | £. | |
| 3,037,483 | 651,809 | 1,432 | 650,377 | 1829-30. |

TO CHINA.

| Sale Amount, calculated at 6s. 8d. the Tale. | Profit. | Loss. | — | Consignments of merchandize made to China, being remittances for the purpose of supplying the Canton Treasury with funds for the purchase of the Homeward Investments, enter, both as respects their costs and their proceeds, into the calculation for the charge of providing those funds, or the rate per tale in sterling used in this Account. The view already given of the Homeward Trade consequently combines, in its general results, the issue as to profits or loss of all such consignments. The statements therefore now given of the proceeds of the consignments from England and India, contrasted with their cost, are not to be regarded as exhibiting any additional profit or loss beyond that already stated. |
|--|---------|-------|----------|---|
| £. | £. | £. | | |
| 722,542 | 34,644 | — | 1828-29. | |

between Europe and India would have exhibited a Loss of £234,164, instead of a Loss of £585,940, making a difference of £351,776

The profit upon their China Trade would also have been increased in the above period by the sum of 254,085

Making a Total Difference of £605,861

The above Account of Profit or Loss from Imports from India is subject to adjustment, with reference to the Amount with which the Territorial Branch is chargeable in respect of the Loss upon consignments of Merchandize, made with a view to meet the demands upon the Home Treasury, for Bills of Exchange drawn for Interest of India Debt, in conformity with the Plan of 1814, for the arrangement of the Home Accounts.

(continued. .

supposing that civil cause to be heard in the zillah court?—The distance might not be very great; in that zillah it might amount to fifty or sixty miles; but there are zillahs in which it might amount to 200 miles. 26 Aug. 1831.

A. Sinclair, Esq.

4418. In speaking of the corruption and peculation on the part of native servants of the government, are you aware of any corruption or peculations which have taken place on the part of the Company's European servants?—I can only know of such cases as have been tried and brought forward which are before the public.

4419. Is it not notorious that such peculations have taken place on the part of the European servants of the Company?—There have been cases brought forward and substantiated, but not very frequently.

4420. Have they not been to a great extent of peculation where they have happened?—Where they have happened they have been to a great extent.

4421. Can you mention the names of any?—I only mention it from hearsay; that was the case of Mr. Peter.

4422. Are you of opinion that, in proportion to the number of the Company's European servants employed, and the number of their native servants, the instances of peculation are greater in the one than in the other in proportion to the number?—Infinitely greater among the natives; I consider that the conduct of the Europeans alluded to is an exception to the rule; but that in the other case the exception is where they do not speculate.

4423. How many native servants may there be employed in the district in which your were employed?—I cannot state the number, but it is very considerable; including the two sets of curnums, and the different officers, it must be 1,000.

4424. How many European servants are there?—There were four, and sometimes possibly five in the revenue department.

4425. Do you suppose that the total amount of peculations on the part of the natives have amounted to so much as the defalcation of Mr. Peter?—I am not acquainted with the amount.

4426. Have you heard that in the case of Mr. Peter the defalcation amounted to about twelve lacs of rupees?—I am not aware of that, but a letter I had from India stated a much less amount.

4427. When the Company's servants travel through the country, in what manner are they conveyed and supplied with necessaries?—When I was in Tanjore I believe that every thing was paid for; and in cases where complaints came before me that such an officer or such a person had passed through the district and had not paid, I sent a reference to the military station of Trichinopoly to procure the payment. I conceive that of late years, at all events, it has been usual to pay.

No. 26—*continued*.—PROFIT or LOSS upon the TRADE

| | Prime Cost and Charges in India, calculated at the Rates fixed by the Board of Commissioners for the Affairs of India, for the Repayment of Territorial Advances : <i>viz.</i> 2s. the Current Rupee, 2s. 3d. the Ms. Rupee, and 2s. 3d. the By. Rupee. | Freight * paid in England, &c. | Charges in China, at 6s. 8d. the Tale. | Supracargoes' Commission paid in England. | TOTAL COST and CHARGES. |
|-------------|--|--------------------------------|--|---|-------------------------|
| | £. | £. | £. | £. | £. |
| 1828-29.... | 482,503 | 96,758 | 4,114 | 10,421 | 593,796 |

PROFIT or LOSS upon the TRADE of the East-India

ON TEAS SENT TO CANADA.

| | Quantity Sold. | Prime Cost and Charges in China, including Supracargoes' Commission at 6s. 8d. the Tale. | Freight and Demorage paid in England. | Duties and Charges of Merchandize paid in Canada. | Total Cost and Charges. | Sale Amount | Profit. | Losses at Sea on Consignments between China and Canada. |
|-----------|----------------|--|---------------------------------------|---|-------------------------|-------------|---------|---|
| | lbs. | £. | £. | £. | £. | £. | £. | £. |
| 1829-30.. | 616,404 | 44,407 | 8,340 | 11,873 | 64,620 | 78,890 | 14,270 | — |

* The Freight of the above Consignments, which were for the greater part conveyed from stated in the Return made to the Honourable Committee, under date of 10th March 1830. The for the performance of the circuitous voyage, together with payments to Ships taken up in India from this charge for Freight, instead of the charge above inserted, the Loss thereon would be the same proportion.

East-India House, }
14th March 1831. }

26 Aug. 1831

A. Sinclair, Esq.

4428. Was it not usual formerly not to pay?—I am not so well acquainted with the system in former times.

4429. Who fixes the price of the supplies obtained from the natives?—The collector makes out a fixed price in his office.

4430. In fact, the party to whom the supplies are given pays for them at the rate fixed by the collector?—The rate fixed beforehand as a fair rate.

4431. Is that above or under the market price in general?—I am not certain, but I should think it was nearly the same.

Martis, 30^o die Augusti, 1831.

JAMES COSMO MELVILL, Esq. again called in, and examined.

30. Aug. 1831.

*J. C. Melvill,
Esq.*

4432. HAVE you looked into the evidence and statements delivered to this Committee by Mr. Langton, upon the subject of the Company's finances?—As I understood that it was the wish of this Committee that I should examine those statements, I have done so, and I am now prepared to answer any questions that may be put to me regarding them.

4433. Does anything occur to you as important to state, with respect to Mr. Langton's evidence in general, previously to your being questioned upon the several figured statements which he has produced?—As the great object of Mr. Langton this year, and Mr. Rickards in his evidence last year seems to be to show that the debt of India has been principally, if not wholly contracted for the support of the Company's trade it may be desirable to remind the Committee that such a notion is utterly opposed to the express and positive declarations of Parliament, made at times when the fact was more easily ascertainable than it can be at this remote period, In 1793 Parliament (*vide* 33 Geo. III, c. 52, s. 108) declared, "Whereas sundry debts incurred in the defence and protection of the British possessions in India, bearing interest, are now due and owing, amounting to seven millions or thereabouts;" this was all the Indian debt at that time. Again, in 1811, in the 51st Geo. III, c. 64, it was declared that the debt secured by the engagement of the Company in the East Indies, "was incurred by reason of territorial and political expenses in that country." Again, in 1812, the 52d Geo. III, c. 135, s. 18, provided that sums payable in respect of the loans made by the Public to the Company to enable them to meet bills drawn in discharge of the Indian debt, should be charged "upon the revenues of the territorial acquisitions in the East Indies;" and finally, in the last Charter Act, (53 Geo. III, c. 155), "Territorial debt," is the term

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 305

the East-India Company between INDIA and CHINA.

| Sale Amount, calculated at 6s. 8d. the Tale. | Profit. | Loss. | Losses at Sea on Consignments between India and China, Jettisons, Sal- vages, &c. | Net Profit. | Net Loss. | — |
|---|---------|--------|--|-------------|-----------|--------------|
| £. | £. | £. | £. | £. | £. | |
| 525,191 | | 68,605 | — | — | 68,605 | ... 1828-29. |

Company between CHINA and the NORTH AMERICAN Colonies.

ON TEAS SENT TO HALIFAX.

| Quantity Sold. | Prime Cost of of the Sales, as above. | Freight and De- morage. | Duties and Charges of Merchandize incurred at Halifax. | Total Cost and Charges. | Sale Amount. | Profit. | Losses at Sea on Consignments between China and Halifax. | — |
|-------------------|---|-------------------------------|--|-------------------------------|-----------------|-------------------|---|-------------|
| lbs. | £. | £. | £. | £. | £. | £. | £. | |
| 442,885 | 24,757 | 4,849 | 2,809 | 32,415 | 38,688 | 6,273 | 488 | .. 1829-30. |
| | | | | | | Net Profit £5,785 | | |

India to China by Ships proceeding circuitously from England, has been apportioned in the mode extra charge, however, paid to the Owners in the instances comprised in the above Statement, for this service, amounted to only £68,039; if the Profit or Loss on this Trade were deducted reduced to the sum of £39,886; and the Profit on the Homeward Trade would be reduced in (Errors excepted.)

THOS. G. LLOYD,
Accountant-General.

term used to describe the India debt. From all these quotations I think it will be seen that the converse of the proposition which Mr. Rickards and Mr. Langton are seeking now to establish, has been long since settled by competent authority, and that any discussion regarding the origin of the debt must now be useless, unless it be intended to revise all former decisions of Parliament upon the subject of the Company's accounts. I say this with a view of saving the time of the Committee, and not from any desire to avoid the minutest investigation and scrutiny into all the Company's accounts from the remotest period. My deliberate conviction is, and I state it upon the responsibility of the office which I have the honour to hold, that the more the Company's accounts are sifted, the more obvious will it be, not only that Parliament was right in coming to the conclusion that the debt was wholly territorial, but also that no statement of account has ever yet been furnished that does full justice to the commercial branch of the Company's affairs.

30 Aug. 1831.

*J. C. Melvill,
Esq.*

4434. Mr. Langton, in answer to Question 2906, refers to certain observations of the Select Committee in their Second and Third Reports in proof of his argument, that the debt of India is not wholly territorial. How do you reconcile those observations with the view which you have now given of the decisions of Parliament?—It does not appear to me that the passages which Mr. Langton has quoted admit of the construction which he has put upon them. It is very true, that the Select Committee, in the progress of their inquiries, saw the necessity of ascertaining whether the large amount of debt which had been contracted since 1793 was incurred wholly upon the territorial account; and therefore, in page 359 of their Third Report, they expressed themselves in the terms quoted by Mr. Langton. But if we follow the Committee to the end of their investigation, we shall find them, at page 373, stating and showing an excess of return by England to India since 1793, of £1,629,701, which, they add, “is the amount in which, upon the principle now acted upon, the Political may be stated to be debtor to the Commercial concern during the period in question.” This fact, so admitted by the Committee, and corresponding also with the fact admitted by Mr. Langton himself without including interest, seems to me to show that no part of the debt, from 1793 to 1809, could have been contracted for the trade. But whatever construction may be put upon the several passages in the Report of the Committee of 1811, Parliament must have been of the opinion I have ventured to express, because that Report was before them when they passed the two last laws to which I have referred.

4435. What was the financial state of the Company's affairs whilst their character was purely commercial?—That point appears to have been inquired into by the Committee of Secrecy in 1773, who in their Third Report, page 72, say, that “to enable the House to compare the profits of the Company, before they were possessed of the territorial acquisitions lately obtained in the East Indies, with what their profits are at present,” they have prepared a
statement

No. 27.—A RETURN of all SHIPS belonging to or chartered by the EAST-INDIA COMPANY, Lost or Captured; stating their Tonnage, Cargoes, and the Voyage they were prosecuting when Lost or Captured.

(In continuation of an Account, dated 5th May 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 976.)

No further Losses.

(Errors excepted.)

East-India House, }
14th March 1831. }

THOS. G. LLOYD,
Accountant-General.

that would arise from this crore of rupees that were to be paid :—The whole was taken in connexion, no doubt.

15 Sept. 1831.

T. Langton, Esq.

4825. Mr. Melvill in the same number (4493) says, he does not object to an interest account between the branches, but that it should embrace the whole period, and that interest would have to be charged on the crore ; what observations have you to make upon that subject ?—The earlier the account commences the more accurately would it be ascertained from which side aid was afforded ; but interest on the £5,069,684, for the reasons assigned, I should consider quite out of the question ; nor should I think it fair to charge the commerce with interest on the supplies drawn from revenue up to 1780, excepting in as far as the debt could be proved to be commercial. But at whatever period it commenced, no interest can be chargeable on the crore, which, from the terms of the Act of 1793, could only be issuable for the purposes of trade, when there was a clear profit, after defraying the expenses of collection, and the military, marine, and civil charges.

4826. Mr. Melvill states also, that the principle on which your third account is formed is quite inadmissible, as you throw upon trade whatever you cannot account for ; what have you to say in defence of such a principle ?—At No. 2912, I stated the reason why I could not follow the more usual and certainly more correct mode of charging commerce with the sums actually issued for its use from the territorial revenues, *viz.* that the statements relating to those issues were so involved or defective, that I could not find the least correspondence between them and the state of the fund from whence they were drawn, and that I had therefore adopted the plan seen in the account ; and though such a principle would be inapplicable in a mercantile concern, where the debtors and creditors in the ledger are numerous, it is perfectly applicable in the case of the territory, which has few debtors from monies advanced, except Government and the commerce. All the territorial outgoings appear to be regularly stated ; and if, as I admit may happen, some unusual application of territorial income should occur, which is not stated in the accounts, it would be for the Company to show it, and require its adjustment. If any further inquiry into the accounts should take place, there would be many other adjustments to be considered. I would observe further, that as Mr. Melvill knew my reasons for adopting this principle, it would have been for him, when he objected to it, to have shewn that there were correct materials for forming an account on another principle, or to have adduced instances in which the one pursued had actually led to a material error.

4827. Mr. Melvill, in his answer to question 4494, states that you have made certain omissions even in this period, which, at 4494 and the following numbers, he enumerates ; what have you to say as to these omissions respectively ?—Mr. Melvill first notices an error in the floating debt of £764,527, to explain which, he refers to Appendix 2 to the Third Report of 1811. This Appendix had not escaped my notice, but its object was not intelligible to me. The sums deducted were stated *as due*, and therefore were

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 307

No. 28.—A RETURN of the Average Time the whole quantity of TEA sold at each Quarterly Sale had been in the Company's Warehouse prior to such Tea being put up to Sale.

(In continuation of an Account, dated 4th May 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 857).

| | | | | | | | | |
|--------------------|----|----|-------|----|----|----|----|------------|
| 1st March Sale | .. | .. | 1830 | .. | .. | .. | .. | 19 months. |
| 2d ditto | .. | .. | ditto | .. | .. | .. | .. | 21 ditto. |
| 1st September Sale | .. | .. | 1830 | .. | .. | .. | .. | 20 ditto. |
| 2d ditto | .. | .. | ditto | .. | .. | .. | .. | 20 ditto. |

The above Account has been confined to the quantity of Company's Tea sold at each sale; but, in addition to each of the periods above stated, must be added a further period of three months, to ascertain the time which elapses from the arrival of the Tea in this country, until the sale proceeds of the same are received by the Company; viz.

From the time of the ship's arrival till the receipt of the cargo in the warehouse 1 month.

From the time the Tea is put up to sale, until the same is paid for by the buyers. The time allowed by the Company for the payment of the Tea is three months; but, in consideration of the deposit, and that a portion of the Teas are paid for before the expiration of the time allowed, the period is taken at 2 ditto.

3 months.

East-India Company's Tea Warehouses, }
2d March 1831.

HEN. H. GOODHALL.

15 Sept. 1831.

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were undoubtedly debts, whatever the object of separating them might have been; the adjustment, too, was only made for the first and last year of the period, and the *unadjusted*, and not the adjusted, amount is still exhibited to the present day as the actual amount of the floating debt. In fact, the annual increase or decrease of this debt was the only way in which it could be brought into the account; and if eventually adjustment should be requisite, there is no one but the Company's officers who can show the grounds. These have now been stated by Mr. Melvill, and from his explanation it appears, that in books kept, as Mr. Melvill described, by double-entry, and with all the accuracy of a counting-house, arrears of allowances are brought into the accounts as debts, but are not at the same time entered in the charges to which they appertain. If such is the practice in other cases, it must make all check or examination of the accounts impracticable, and the accounts themselves must be always more or less inaccurate. I pass over the two next charges for the present, and come to the statement that I have omitted, £250,081 supplied to St. Helena by bills. I think Mr. Melvill is wrong here, and that there is no omission, though the way in which the St. Helena charges are stated by me may require explanation. Appendix 51 to Fourth Report, states the adjusted amount of supplies to St. Helena at £1,046,653; this I have taken as the basis of my charge. But as I have taken the corresponding years in India and England, and the stores in the adjusted account are for a year later, the stores for 1809-10 are deducted, and those for 1792-3 added, the difference is £23,926. The adjusted amount for the year in ^m/_a is £1,022,727, of which there is included in the Bencoolen column £131,406. The stores exported to St. Helena, p. 263*, col. 12, amount only to £834,784, together £966,190, leaving £56,537 still to be charged, for which no date being assignable, I entered this sum in the column of stores, and in the mid-year of the period. I revert now to the two amounts stated to have been omitted; they were purposely omitted by me, the first, along with some others which Mr. Melvill does not mention, because the whole were held doubtful, and are so stated in Appendix 51 to the Fourth Report; the second, because it was not a specific payment, but rather a claim preferred by the Company before the Select Committee, and by them entered amongst the subjects for adjustment. There are other points on which objections might be stated, to the amount of which I am well aware, though Mr. Melvill does not notice them in his evidence; but they do not affect the main feature of the account, *viz.* that a large amount of interest is chargeable to commerce upon the transactions of the period, if the principle, that interest should be reckoned between the branches, be correct. At the foot of the account, at p. 270* of my evidence, I have placed the head *Adjustments*, to shew that such had still to be made, and which might be for or against commerce; but as the list would have been unintelligible to most, the adjustments are not printed. I have requested that the original account might be produced to-day, to shew that the items noticed by Mr. Melvill were not really omitted or over-looked by me.

* Page 403.

* Page 413.

No. 29;—AN ACCOUNT of PROFIT and LOSS of the EAST-INDIA COMPANY'S TEA Freight and Demorage, the Charges incurred in Landing, &c. &c.; the Interest as Price; the Supracargoes' Commission; and all other Charges incurred, either in

(In continuation of an Account, dated 19th May 1830,

Dr.

| Prime Costs of Tea sold in 1829-30, imported in the undermentioned years: | | £. |
|--|---|--------------------------------|
| | <i>Lbs.</i> <i>Tales.</i> | |
| Teas imported in 1827 .. | 9,091,068 .. | 1,578,862 |
| Ditto .. 1828 .. | 16,011,594 .. | 3,082,391 |
| Ditto .. 1829 .. | 2,354,606 .. | 474,423 |
| | <u><i>Lbs.</i> 27,457,268</u> <u><i>Tales</i> 5,135,676</u> | calculated at 6s. 8d. the Tale |
| That being the actual rate which it has cost the Company to place funds in China during the present Charter (exclusive of interest and insurance) .. } | | 1,711,892 |
| Proportion of interest attaching to the consignments of merchandize outward, and other funds furnished for the provision of the Teas, constituting the Importations of the years above specified } | | 32,857 |
| Proportion of insurance attaching to the consignments of merchandize outward, ditto ditto } | | 25,911 |
| Insurance, 3 per cent. on cost of homeward investment, premium covered .. | | 52,945 |
| Interest from the provision of the funds in China to the arrival of the investment in England, 6 months, at 5 per cent. per annum on cost, as calculated to make the upset price } | | 44,121 |
| Freight and demorage | | 477,142 |
| Expenses of landing, housing, warehouse-room, carting, preparing for sale, and all charges, merchandize in England : | £. | |
| Proportion, attaching to the China Trade, of establishment for the joint management of the trade to India and China .. } | 81,015 | |
| Paper, printing and stationery for the Tea department | 2,184 | |
| Rent and repairs of warehouses, calculated at the rate of 6 per cent. per annum on the capital invested therein (of which the amount of interest of rent, at 5 per cent. per annum, is £23,856) } | 28,627 | |
| Taxes and parochial rates thereon, coals, candles, &c. | 5,978 | |
| Wages of labourers employed at the Tea warehouses | 68,172 | |
| Charges of landing Tea, &c. from the ships, (including proportion of establishment employed upon this duty) .. } | 3,333 | |
| Amount of cooperage upon tea-chests, incurred at the period of landing them } | 2,071 | |
| Cartage of Tea from the docks to the warehouses (including wear and tear of caravans) } | 3,425 | |
| Carried forward | £ 194,805 | 2,344,868 |

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 721

4828. Have you any observation to make on Mr. Melvill's estimate for the period from 1793-4 to 1813-14?—The same remarks generally as on that for the second period; it is a comparison of supplies, territorial and commercial, introducing, as a matter of course, items which the Select Committee had declared doubtful, and taking no cognizance of Indian receipts and disbursements.

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T. Langton, Esq.

4829. Have you in your calculations generally placed to commerce what you found put down as doubtful by Committees of the House of Commons?—No; there are several heads stated as doubtful which I have put down to the territory. The supplies to Bencoolen and St. Helena, losses written off, and the losses on consignments and remittances from port to port, which are put among the doubtful items, I have also put down to territory; but the amount paid in participation, and which is stated, by the 101st clause of 53 Geo. III., to be payable out of surplus commercial profits, the loss on the loyalty loan, the amount of money paid for a supply of men for the navy, which grew out of an offer to raise troops, interest on postponed bills, and paid owners of rice ships, I have left out and placed amongst the heads for adjustment, conceiving, that when they come to be considered, they would not be deemed territorial; but of those I have introduced as territorial charges, it appears to me that the adjustment would be required; indeed, the Third Report states it of most of them.

4830. Are you speaking now of what you gave in on your former evidence, or of the view you have taken since Mr. Melvill's evidence?—What I gave in on my former evidence.

4831. You have stated, in answer to Question 2923, that the accounts and papers before this Committee were inadequate to any investigation of the accounts between 1809-10 and 1813; does this estimate, which embraces that period, supply the deficiency?—Not in the least; and I do not find that Mr. Melvill has noticed in his evidence what I stated (at 2923), that from the course pursued by him in explaining the accounts, the period from 1809-10 to 1813-14 was withdrawn from all investigation, and that it was not susceptible of any without further information.

4832. Are there any other remarks of Mr. Melvill's, relative to the accounts, that you wish to observe upon?—I think Mr. Melvill's endeavour to justify the charging the expenses of the Board of Commissioners to the territory, in the face of an enactment so pointedly expressed (as in Question 4311), hardly deserves a reply. He may consider the enactment an absurd one, but it is, nevertheless, an enactment, and the absurdity is certainly less than to suppose that the employment of such expressions was necessary to prevent the commissioners having to go to Calcutta to receive their salaries. His assertion, with reference to the supplies to Bencoolen (at 4512 and 4513), that the territory has been credited with the whole cost and commercial charges of all consignments from thence, before 1809, as well as since, appears very extraordinary. When the Select Committee made the remarks

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 309

TRADE with China, for the Year 1829-30; stating, the Prime Cost, how calculated; the calculated to make up the upset Price; the Insurance as calculated to make up the upset England or China, to the Debit of Account, and the Sale Amount to the Credit.

printed in Appendix to First Report on East-India Company's Affairs, p. 860.)

| | Cr. |
|-----------------------------|------------------------|
| Sale Amount of Teas | <u>£.</u> 3,037,483 |
| Carried forward £ | 3,037,483 |

15 Sept. 1831.

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quoted by me (2919), and the supplies were declared, at the close of the Third Report, a subject requiring adjustment, an explanation, similar to that now made by Mr. Melvill, by any one of the Directors who were members of that Committee, would at once, no doubt, have caused the remarks to be expunged; and I think Mr. Melvill must be supposed to be in error in respect to the earlier period. Mr. Melvill says (at 4529), that where documents are wanting to understand the accounts, deficiencies would have been supplied, if called for. I think that such deficiencies should be supplied without being called for, and the accounts be so presented as to be intelligible without further documents, which possibly no one could accurately describe but those who were already informed on the subject. I will take this opportunity of stating, that Mr. Melvill (at 4498) attributes to me, to have presumed to insinuate what I endeavoured expressly to guard against being understood to say. I confined my remark, that either ignorance or bad faith was imputed when contradictory and unintelligible accounts were presented, to individuals, and of course in reference to their own affairs; on that point I am satisfied there will never be two opinions amongst men of business; but the Company's officers find a system of account in use which they have probably no choice but to follow; they have most of them grown up under this system; they see in the accounts all they want to know, and they are not anxious to make the world wiser than is required of them. There is nothing of which some persons are so jealous as of being made to exhibit their accounts; and that this feeling is not unknown at the India House is shown by their remonstrances against the printing of their papers and accounts, on the 9th March 1767, in consequence of which that useful practice was delayed upwards of twenty years.

1833. You have read Mr. Melvill's answer to 4526, on the subject of your suggestion of referring to professional accountants a revision of those accounts which you consider to have been left unsettled; what have you to observe with reference to that answer?—I am far from wishing to insinuate any thing against the competency of the Company's officers in the conduct of their business; but as to their being exempt from that bias, that *esprit de corps*, which it is rare that any human being can guard himself from, they must not expect credit for it. Faithful and zealous servants generally form stronger opinions of the rights and interests of their principals than the principals themselves; and errors of importance may easily and do often creep into accounts from such causes. Whether justly or not, great doubts are entertained by many liberal men, not in general of a suspicious turn of mind, as to the correctness of the Company's accounts; these impressions would be increased by the refusal to submit them to such an investigation as would set suspicion at defiance; and if these accounts can stand the test of such an ordeal, no party would gain so much by such an investigation as the Company themselves. As to the present system being one eminently of check, it is one, which if one compares the accounts sent before this Committee by the India Board and from the India House, will appear to have eminently

310 ACCOUNTS AND PAPERS LAID BEFORE THE

No. 29.—An Account of Profit and Loss of the East-India Company's Tea Trade and Demorage, the Charges incurred in Landing, &c. &c.; the Interest as calculated the Supracargoes' Commission; and all other Charges incurred, either in England or

Dr.

| | | | |
|---|----|---------|-----------|
| Brought forward | £ | 194,805 | 2,344,868 |
| Articles supplied for the repair of packages and other purposes, after the receipt of the Tea in the warehouses } | | 9,799 | |
| Dock-rates and wharfage payable to the East-India Dock Company on Tea imported } | | 6,790 | |
| Annual allowance granted to Commanders of Company's ships acting as Commodores of the Fleet at Canton; also, a pension to a retired inspector of Tea, paid in England } | | 1,000 | |
| Proportion of Commercial charges of a general description, not attaching to any particular department, and sundry miscellaneous expenses } | | 7,142 | |
| | £ | 219,536 | |
| Deduct, | | | |
| For such part of the sums received by the Company under the engagements entered into with the Commanders and Officers of their China ships as are considered to be in re-imbursement of charges actually incurred on Tea imported by them } | | 12,324 | |
| Or equal to 1d. 804 per lb. on the quantity of Tea sold | | | 207,212 |
| Interest from the arrival of the Teas in England to the estimated realization of the sale amount, 18 months on cost, 12 months on freight and charges, at 5 per cent. per annum, as calculated to make the upset price } | | | 166,581 |
| Supracargoes' commission: 2 per cent. on net sale amount, deducting charges | | | 44,766 |
| Additional interest, incurred in China and in England, beyond the charge for interest included in the calculation for the upset price, as stated in Evidence before the Honourable Committee of the House of Commons: | | | |
| | £. | | |
| From the provision of funds in China to the arrival of the Teas in England, 2½ months, at 5 per cent. on cost } | | 17,831 | |
| From the arrival of the Teas in England to the realization of the same, as stated in Accounts presented to the Honourable Committee of the House of Commons, 22½ months: | | | |
| Interest assumed in the calculation for the upset price 18 months: 4½ months, at 5 per cent. per annum on cost } | | 32,096 | |
| On freight and demorage 7½ months (the whole of the freight being payable 3 months from the arrival of the Teas in England) at 5 per cent. per annum } | | 14,910 | |
| | | | 64,837 |
| | | | 2,828,264 |
| | | | 209,219 |
| PROFIT | £ | | 3,037,483 |

eminently failed in that particular; for the India Board appear to me to be quite as much in the dark as the public at large on some points. I will beg leave to refer the Committee to a comparison between the accounts of territorial receipts and payments in England, as furnished by the India Board in No. 21 of the February papers, and of the Statement on the same head, No. 499 of 1830, from the India House; the former dated India Board, 14th January 1830, the latter India House, 2d June 1830. I propose to go merely through the first year; the differences which occur in that year pervade the whole of these two accounts; they may be explained I have no doubt, but I think it necessary to state them as an exemplification of the system of check. Of the four items of receipt in the General Statement from the India Board, one only corresponds with one in the Statement from the India House; two differ, but in amounts of only £100 and £800. One item in the former, of £37,481, is not contained at all in the latter, whilst two items in the latter, of £7,891 and £154,521, are not to be found in the former. Besides these differences, a deduction of £74,639 from the receipts is made in the Statement, to which nothing corresponding is to be found in the General Statement. Under the heads of Payments, out of about twenty items, three agree exactly, or within a trifle; ten co-exist in both accounts, but with greater differences, ranging between £301 and £69,678; two are in the Statement which are not discoverable in the General Statement; and three are in the General Statement which do not appear in the Statement. I presume the accounts furnished from the India Board are formed from data received from the India House. To what such discrepancies are to be attributed, I presume not to guess; but their effect, and that of many others as perplexing, though perhaps not so glaring, is to deter those who would wish to understand the accounts from undertaking a hopeless trouble; it raises the idea of studied concealment, and in many cases, no doubt, the suspicion that there must be much to conceal where there is so much mystery.

4834. Are you aware of any cause for those discrepancies?—No. I could perhaps account for a few of them; the greater part of them are totally inexplicable.

4835. Does it not show that the accounts are not exactly formed, the one a copy from the other?—They are not formed one a copy from the other, but they are both for the same period, and professing to embrace the same objects.

4836. In the early part of your examination to-day you spoke of the Company being indebted to the forbearance of the Legislature for a great part of their present capital; will you state to what extent you consider them so indebted, and at what periods?—By the Act of 21 Geo. III., already alluded to, the Legislature, in renewing the exclusive privileges of the Company, imposed the condition that three-fourths of all net profits, as well commercial as territorial, should be paid over to Government; three-fourths,

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 311

with China, for the year 1829-30; stating, the Prime Cost, how calculated; the Freight to make up the upset Price; the Insurance as calculated to make up the upset Price; China, to the Debit of Account, and the Sale Amount to the Credit—*continued*.

Cr.

| | | |
|---------------------|---------|-----------------|
| Brought forward | | £. 3,037,483 |
| SALE AMOUNT OF TEAS | | £ 3,037,483 |

(*continued*..)

15 Sept. 1891.

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fourths, therefore, of the actual increase of their assets should have gone into the coffers of the State. The exact amount of their effects was carefully estimated in 1783, when it was rated by a committee of proprietors, after a careful investigation, at £6,384,319. Of all excess beyond that sum the Government, after allowing for £400,000 received in participation, might have claimed three-fourths. The Act of 1793 reserved for the public £500,000 annually, and enacted, that if the payment in any year should be postponed, the omitted payments should remain as a claim, which, at the termination of the exclusive privileges, should be enforced, if the effects of the Company, realized or estimated, should exceed their capital stock, rated at 200 for 100, (*i. e.* if their assets exceeded £12,000,000), as far as the surplus went, in preference to every other application thereof whatsoever. By the February Papers, No. 24, p. 62,* the Company state their commercial capital to have amounted, on the close of 1813-14, that is, at the close of their exclusive privileges, if Parliament had so willed, to £20,302,764, and the rights of the proprietors would not have been trenched upon in the least, if every penny of this beyond £12,000,000 had been claimed for the State. If the home-bond debt at that time be taken as entirely commercial, the donation which Parliament made to the Company, at a time when the country could ill afford to be generous, in 1813, was £3,815,594; but if the home-bond debt, as the Company appear desirous it should, be taken as a territorial debt, the donation made was of £8,302,764. It is singular enough that such a claim should have been relinquished at such a moment, and, as is seen by the 61st section of the Act of the 53 Geo. III., without any preamble or reason assigned, by the simple repeal of a clause in a former Act of Parliament, 33 Geo. III. s. 122. It would almost seem as if the Company were looking forward to a similar act of generosity at the grant of a new term of exclusive privileges, by the suspension of that application of surplus profits in liquidation of debt, which I should have understood from the Act to be imperative; but Mr. Melvill informed the Committee, last year, the highest legal authority had sanctioned the retention of part of the surplus, as a fund to meet contingent losses. The amount not thus applied amounted at the close of 1828-9 to £2,833,235, and the interest on this growing fund, at the rate of that on the home-bond debt, I have calculated to amount to £1,510,104 at the close of 1828-9.

4837. In your former evidence you were asked if you had examined the statement of loss to the Company by the employment of the Board rates, which you had not then done. Have you since then turned your attention to that subject?—That the time which has elapsed in waiting for Mr. Melvill's evidence, and for an opportunity to make my observations on it, might not be uselessly employed, I have examined the statement of the loss by the use of the Board rates, prepared by Mr Lloyd. [See p. 111† of Appendix to the First Report of 1830]. To form a just and correct judgment of the accuracy of that statement requires a more intimate knowledge of the nature of the exchange business done in London on Calcutta than is probably pos-

* Appendix C to
Report of Lord's
Committee,
p. 1364.

† Page 973.

No. 29.—An Account of Profit and Loss of the East-India Company's Tea Trade and Demorage, the Charges incurred in Landing, &c. &c. ; the Interest as calculated the Supracargoes' Commission ; and all other Charges incurred, either in England or

.. continued.)

| | |
|--|---------------|
| Brought down, amount of Net Profit which results after calculating as part of the cost of the Tea, interest, insurance, &c. as above mentioned .. | £. 209,219 |
| In framing the price of Tea from which the cost in the above Account is calculated, the funds drawn from India in repayment of Territorial charges for the supply of the China Treasury, are valued at rates which exceed the current market rates of exchange, and give a value thereto exceeding that which, upon mercantile principles, would be assigned to them ; the difference operating in favour of the Territory in the adjustment of the account between the two branches, and amounting upon this part of the Trade to | 214,029 |
| The amount of the Profit, charging the account with interest of capital and insurance, but adjusting it with reference to the mercantile rate of exchange, would be | 423,248 |

East-India House, }
14th March 1831. }

essed by many gentlemen of the Committee, or indeed by any of those who are not immediately concerned in the trade. I have sought to obtain information on the subject from all those who were competent to give it to whom I had access, and I now offer to the Committee what I believe to be a correct view of this branch of the East-India trade. Exchange transactions from London to Calcutta form no part of the regular and constant commercial intercourse of the two countries; but bills are often wanted or offered for occasional purposes, mostly unconnected with commerce, and the merchants here who have establishments in Calcutta lend themselves to effect such accommodation, asking a higher price for the sicca rupee when their bills are wanted, and offering a lower price when bills are sought to be disposed of; the medium price is what they consider the actual value of the rupee in exchange, and the difference either way is the remuneration they expect on the transaction. In estimating the loss to commerce by the Board rates, it is this medium price which should be compared with those rates, and not the price which agency houses would give for private bills, often for insignificant amounts, and some of which are never paid. These are the rates, however, which Mr. Lloyd appears to have assumed; but as the Company would only require to pass their bills in reimbursement of territorial outlay in England, in the case of their not consigning Indian produce to England; but leaving that to private enterprize, their bills on Calcutta would be sought for as the means of placing funds in India for the purchase of indigo, silk, &c. by such as engaged in the enterprize on this side, and bills on the consignees in London would be offered to the Indian authorities for sale by those who took up the speculation on that side; the whole of the transactions would fall into the regular current of trade, and the rates of exchange given and obtained would be influenced solely by the circumstances which usually determine them, and not, as in the case of the present London exchanges on Calcutta, include a rather high commission. To ascertain this medium rate during the period from 1814 to 1828-9, with correctness, has been also attended to by me. In 1821 an East-India Trade Committee was formed, in which the rates of exchange were considered and recorded from time to time; and from these records, which are held by the Committee to exhibit a just view of the rates, I have been furnished by the secretary with those from 1821 to 1830. For the earlier period, before the Committee existed, I have obtained from three different principal houses statements of the rates, which I have compared, and from them I have deduced what I consider to be the fair medium rate for each year; and that the calculation of that medium rate may not be taken on my word alone, I deliver in, along with the Account which I have to present to the Committee, the Statements alluded to, for the examination of whoever chooses to look into the subject.

15 Sept. 1831.

T. Langton, Esq.

[The Witness delivered in the above-mentioned Statements, which were read, and are as follow:]

STATEMENT

SELECT COMMITTEE of the HOUSE OF COMMONS. 318

with China, for the Year 1829-30; stating, the Prime Cost, how calculated; the Freight to make up the upset Price; the Insurance as calculated to make up the upset Price; China, to the Debit of Account, and the Sale Amount to the Credit—*continued*.

| | |
|---|---------|
| Amount of Net Profit which results after calculating as part of the cost of the | £. |
| Tea, interest, insurance, &c. as before stated | 209,219 |

Add :

The amount of such interest, which is replaced to this Company out of the Sale proceeds, the capital employed in the Trade being their own, and not subjecting their funds to any actual payment on this account, as well as the amount included in the cost on account of insurance, deducting the actual losses at sea in 1829-30.

| | |
|------------------|-----------|
| Interest | £ 332,252 |
|------------------|-----------|

| | |
|---|--------|
| Insurance, (actual losses at sea, £.) .. | 78,856 |
|---|--------|

411,108

| | |
|--|---------|
| TOTAL return of Profit from this Trade, applicable to the appro- } priations of the Act of the 53 Geo. 3. c. 155. | 620,327 |
|--|---------|

Add :

| | |
|---|---------|
| Difference arising from the rate of exchange of funds derived from India, as above stated, operating in favour of the Territory in the adjustment of the account between the two branches, and amounting upon this part of the Trade to | 214,029 |
|---|---------|

| | |
|--|---------|
| TOTAL return which would be derived from this Trade were the } exchanges in the account between Territory and Commerce ad- } justed at the current rates | 834,356 |
|--|---------|

The amounts of interest and insurance stated in the Return made to the Honourable Committee under this date, in continuation of an Account, dated 17th March 1830, have reference only to the charges made under those denominations not included in the computation of the value of the Tale, for framing the upset prices of Tea.

(Errors excepted.)

THOS. G. LLOYD,
Accountant-General.

STATEMENT of the Loss sustained by the East-India Company, from the Conversion into Sterling of the Sums advanced from the Revenues in India, in reimbursement of the Territorial Outlay in England, at the Board Rates, as compared with the Mercantile Rates of Exchange.

| YEARS. | 1. Amount of Advances in India, reducing the Currencies of Madras, Bombay, and the other Settlements, into Sicca Rupees, according to the intrinsic Value of the Coins. | 2. Average Rate of Exchange assumed in the Statement, East-India House, 2 June 1830, with Six Months' Interest, added at the Rates of the Bond Debt, and at 60d. st. | 3. Interest for Six Months, at the rate of the Company's Bond Debt. | 4. Rate of Exchange, which, with the Interest in Col. 3 added to it, amounts to the Rate in Col. 2. | 5. Medium Rate of Exchange in London on Calcutta, of the London Houses, at 60d. st. Six Months Interest, separately added. | 6. Sterling Amount of Advances in India, at the Rates fixed by the Board. | 7. Sterling Amount of Advances in India, at the Medium Rates, in Col. 5. | 8. Amount of Advances in India, less in Sterling Money, calculated at the Board Rates. | 9. Amount of Advances in India, more in Sterling Money, calculated at the Board Rates. |
|------------|---|--|---|---|--|---|--|--|--|
| | <i>Sicca Rupees.</i> | <i>p' Sicca Rupee.</i> <i>s. d.</i> | <i>p' Cent.</i> | <i>s. d.</i> | <i>s. d.</i> Int. 719 | <i>£.</i> | <i>£.</i> | <i>£.</i> | <i>£.</i> |
| 1814-15 .. | 1,04,33,656 | 2 4 448 | 2½ | 2 3 754 | 2 4 754 Int. 719 | 1,223,368 | — | 57,898 | — |
| 1815-16 .. | 1,63,64,628 | 2 4 127 | 2½ | 2 3 441 | 2 5 473 2 4 344 Int. 709 | — | 1,281,266 | — | 54,071 |
| 1816-17 .. | 1,34,00,299 | 2 2 713 | 2½ | 2 2 061 | 2 5 053 2 2 843 Int. 671 | — | 1,981,006 | — | 46,527 |
| 1817-18 .. | 1,59,88,113 | 2 2 778 | 2½ | 2 2 151 | 2 3 514 2 3 329 Int. 664 | — | 1,536,232 | — | 25,723 |
| 1818-19 .. | 1,02,24,537 | 2 4 240 | 2 | 2 3 686 | 2 3 893 2 4 264 Int. 565 | — | 1,858,151 | 14,788 | — |
| 1819-20 .. | 1,57,71,830 | 2 1 945 | 2 | 2 1 436 | 2 4 829 2 3 208 Int. 544 | — | 1,228,180 | — | 20,229 |
| 1820-21 .. | 1,67,09,380 | 2 0 862 | 2 | 2 0 374 | 2 4 752 2 2 052 Int. 521 | — | 1,823,749 | — | 105,580 |

No. 30.—AN ACCOUNT of the Quantity of TEA Exported by the EAST-INDIA COMPANY from Canton; specifying the several kinds of Tea, and the Average Prime Cost per Pound, in the Year 1829-30.

(In continuation of an Account, dated 17th March 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 852.)

| TEAS EXPORTED TO ENGLAND. | | | | | | | | Quantity. | Average PRIME COST per Pound. |
|---|----|----|----|----|----|----|----|-------------|-------------------------------------|
| | | | | | | | | <i>Lbs.</i> | <i>s.</i> <i>d.</i> |
| Bohea | .. | .. | .. | .. | .. | .. | .. | 4,288,896 | 0 9·636 |
| Congou | .. | .. | .. | .. | .. | .. | .. | 19,003,302 | 1 2·099 |
| Campoi | .. | .. | .. | .. | .. | .. | .. | 556,885 | 1 7·382 |
| Souchong | .. | .. | .. | .. | .. | .. | .. | 67,632 | 2 ·584 |
| Pekoe | .. | .. | .. | .. | .. | .. | .. | — | — |
| Twankay | .. | .. | .. | .. | .. | .. | .. | 4,733,704 | 1 3·703 |
| Hyson Skin | .. | .. | .. | .. | .. | .. | .. | 101,829 | 1 4·411 |
| Young Hyson | .. | .. | .. | .. | .. | .. | .. | — | — |
| Hyson | .. | .. | .. | .. | .. | .. | .. | 582,800 | 2 3·469 |
| | | | | | | | | 29,335,048 | |
| TEAS EXPORTED TO THE NORTH AMERICAN COLONIES. | | | | | | | | Quantity. | Average PRIME COST per Pound. |
| | | | | | | | | <i>Lbs.</i> | <i>s.</i> <i>d.</i> |
| Bohea | .. | .. | .. | .. | .. | .. | .. | 329,759 | 0 8·857 |
| Congou | .. | .. | .. | .. | .. | .. | .. | 828,944 | 0 10·679 |
| Souchong | .. | .. | .. | .. | .. | .. | .. | — | — |
| Pekoe | .. | .. | .. | .. | .. | .. | .. | — | — |
| Twankay | .. | .. | .. | .. | .. | .. | .. | 15,901 | 1 4·200 |
| Hyson Skin | .. | .. | .. | .. | .. | .. | .. | 13,415 | 1 3·203 |
| Young Hyson | .. | .. | .. | .. | .. | .. | .. | — | — |
| Hyson | .. | .. | .. | .. | .. | .. | .. | 26,217 | 2 4·146 |
| Gunpowder | .. | .. | .. | .. | .. | .. | .. | 18,828 | 2 6·914 |
| | | | | | | | | 1,233,064 | |
| TOTAL | | | | | | | | 30,568,112 | |

East-India House, }
14th March 1831. }

(Errors excepted.)

THOS. G. LLOYD,
Accountant-General.

SELECT COMMITTEE OF THE HOUSE OF COMMONS.

727

| | | | | | | | | | | |
|---------|----|--------------|--|----|----------|----------------------------------|----------------|------------|-----------|-----------|
| 1821-22 | .. | 1,44,12,500 | 1 10 822 | 2 | 1 10 374 | 2 0 071 Int. 482 | 1,680,042 | — | — | 205,583 |
| 1822-23 | .. | 1,93,07,227 | 1 9 738 | 2 | 1 9 208 | 2 0 553 1 10 095 Int. 442 | — 2,258,463 | 1,474,439 | — | 445,434 |
| 1823-24 | .. | 1,93,46,688 | 1 9 621 | 1½ | 1 9 249 | 1 10 537 1 10 075 Int. 286 | — 2,257,888 | 1,813,029 | — | 442,286 |
| 1824-25 | .. | 2,28,94,441 | 1 8 540 | 1½ | 1 8 187 | 1 10 461 1 9 250 Int. 372 | — 2,674,830 | 1,810,668 | — | 612,232 |
| 1825-26 | .. | 1,93,64,929 | 1 9 876 | 1½ | 1 9 553 | 1 9 622 1 10 275 Int. 334 | — 2,255,561 | 2,062,598 | — | 431,304 |
| 1826-27 | .. | 2,20,81,611 | 1 9 355 | 2 | 1 8 936 | 1 10 609 1 10 006 Int. 440 | — 2,578,485 | 1,824,257 | — | 513,855 |
| 1827-28 | .. | 2,67,36,747 | 1 8 845 | 2 | 1 8 436 | 1 10 440 1 9 667 Int. 433 | — 3,124,900 | 2,064,630 | — | 662,892 |
| 1828-29 | .. | 2,38,17,520 | 1 9 543 | 2 | 1 9 120 | 1 10 100 1 9 066 Int. 420 | — 2,784,042 | 2,462,008 | — | 658,329 |
| | | 26,68,64,106 | Compare with these Rates, No. 35 of the February Papers. | | | 1 9 420 | — | 2,125,713 | — | — |
| | | | | | | | 31,244,179 | 27,195,968 | 126,757 | 4,174,968 |
| | | | | | | | | | 126,757 | 126,757 |
| | | | | | | | | | 4,048,211 | 4,048,211 |
| | | | | | | | | | 474,262 | 474,262 |
| | | | | | | | | | 358,985 | 358,985 |
| | | | | | | | | | 762,111 | 762,111 |
| | | | | | | | | | 5,284,584 | 5,284,584 |
| | | | | | | | | | 5,643,569 | 5,643,569 |

Interest on Columns 8 and 9, at the rates of the Home Bond Debt.
Loss on £4,715,981, at the rate of 1828-29

* Less proportional Loss on £1,510,104. Interest on the deferred appropriation of Surplus Profit

TOTAL Loss by the use of the Board Rates up to 1828-29 .. £

* If the Loss on the Interest on the deferred appropriation of Surplus Profit be excluded from the Account, the Total Loss by the use of Board Rates will be .. £

No. 31.

AN ACCOUNT of the several SALES of the EAST-INDIA COMPANY, in the Year 1830; specifying the Quantity of each kind of Tea sold, the Average Price at which each kind was put up, and at which each kind was sold at each Sale.

15 Sept. 1831.

T. Langton, Esq.

Page 805.

COMPUTATION of the INTEREST which will have accrued on the deferred Appropriation of the SURPLUS PROFITS in liquidation of Debt (as given in the Account at p. 33* of the Second Report, 1830), at the Rate of Interest of the Home Bond-Debt.

| | £. | | £. | | £. |
|---|-----------|--|----|---|-----------|
| Amount of Surplus Profit of 1814-15, not appropriated | 741,754 | | | Brought forward | 3,441,710 |
| Interest, from 1st May 1815, at 5 per cent. | 37,088 | | | Interest, at 3½ per cent. | 120,459 |
| Ditto .. 1815-16 | 22,961 | | | Amount of Debt liquidated in 1823-24 more than the amount of Surplus Profit | 3,562,169 |
| | 801,803 | | | | 1,067,766 |
| Ditto .. 1816-17 | 40,900 | | | Interest, at 3½ per cent. | 2,494,403 |
| | 413,309 | | | Amount of Surplus Profit of 1824-25 not appropriated | 87,304 |
| Ditto .. 1817-18 | 1,256,012 | | | | 720,097 |
| | 62,800 | | | Ditto .. 1825-26 | 3,301,804 |
| Ditto .. 1818-19 | 1,008,463 | | | Interest, at 3 per cent. | 99,054 |
| | 2,327,275 | | | | 341,736 |
| Ditto .. 1819-20 | 93,091 | | | Interest, at 4 per cent | 3,742,594 |
| | 286,535 | | | Ditto .. 1826-27 | 149,704 |
| Ditto .. 1820-21 | 2,706,901 | | | | 128,324 |
| | 108,276 | | | Interest, at 4 per cent. | 4,020,622 |
| Ditto .. 1821-22 more than the amount of Surplus Profit | 77,251 | | | | 160,825 |
| | 2,892,428 | | | Ditto .. 1827-28 | 52,344 |
| Ditto .. 1822-23 not appropriated | 115,697 | | | Interest, at 4 per cent. | 4,233,791 |
| | 516,570 | | | | 169,352 |
| Amount of Debt liquidated in 1821-22 more than the amount of Surplus Profit | 3,524,695 | | | Interest, at 4 per cent. | 4,403,143 |
| | 140,988 | | | Amount of Debt liquidated in 1828-29 more than the amount of Surplus Profit | 59,804 |
| Ditto .. 1823-24 | 3,665,683 | | | Amount of Principal and Interest of the unappropriated Surplus Profits | 4,343,339 |
| | 551,518 | | | Deduct Principal | 2,833,235 |
| Amount of Surplus Profit of 1822-23 not appropriated | 3,114,165 | | | Amount of Interest, up to the close of 1828-29 | 1,510,104 |
| | 124,566 | | | | |
| Carried forward | 202,969 | | | | |
| | 3,441,710 | | | | |

No. 31.—AN ACCOUNT of the several SALES of the EAST-INDIA COMPANY, in the Year 1830; specifying the Quantity of each kind of Tea sold, the Average Price at which each kind was put up, and at which each kind was sold at each Sale.

(In continuation of an Account, dated 17th March 1830, printed in Appendix to First Report on East-India Company's Affairs, p. 836.)

| | | MARCH SALE, 1830. | | | | JUNE SALE, 1830. | | | |
|------------|-------|------------------------------------|--|--|--|------------------------------------|--|--|--|
| 1830. | | Quantity of each kind of Tea sold. | Average Price at which each kind was put up. | Average Price at which each kind was sold. | | Quantity of each kind of Tea sold. | Average Price at which each kind was put up. | Average Price at which each kind was sold. | |
| COMPANY'S: | | Lbs. | s. d. | s. d. | | Lbs. | s. d. | s. d. | |
| Bohea | .. .. | 23,171 | no price | 1 5 $\frac{3}{16}$ | | 1,857 | no price | 1 5 $\frac{1}{16}$ | |
| Ditto | .. .. | 1,179,249 | 1 5 | 1 6 $\frac{1}{8}$ | | 1,401,553 | 1 5 | 1 7 $\frac{1}{16}$ | |
| Cargou | .. .. | — | — | — |  | 236 | no price | 2 0 $\frac{1}{16}$ | |
| Ditto | .. .. | 1,536,754 | 1 8 | 2 2 $\frac{1}{16}$ | | 1,657,206 | 1 8 | 2 2 $\frac{1}{16}$ | |
| Ditto | .. .. | 330,555 | no price | 2 1 $\frac{5}{16}$ | | 331 | no price | 2 1 $\frac{5}{16}$ | |
| Ditto | .. .. | 2,948,536 | 2 1 | 2 4 $\frac{6}{16}$ | | 3,191,220 | 2 1 | 2 4 $\frac{1}{16}$ | |
| Campoi | .. .. | 176,642 | no price | 2 1 $\frac{1}{16}$ | | 121,979 | no price | 2 2 $\frac{8}{16}$ | |
| Ditto | .. .. | 35,370 | 2 4 | 2 4 $\frac{7}{16}$ | | 20,805 | 2 4 | 2 5 $\frac{1}{16}$ | |
| Souchong | .. .. | 59,203 | 2 9 | 3 9 $\frac{1}{16}$ | | — | — | — | |
| Twaskey | .. .. | 53,416 | no price | 2 2 $\frac{3}{16}$ | | 121,573 | no price | 2 2 $\frac{7}{16}$ | |
| Ditto | .. .. | 858,207 | 2 2 | 2 4 $\frac{1}{16}$ | | 991,566 | 2 2 | 2 4 $\frac{1}{16}$ | |
| Hyson Skin | .. .. | 23,450 | no price | 2 2 $\frac{1}{16}$ | | 15,389 | no price | 2 3 $\frac{8}{16}$ | |
| Ditto | .. .. | 42,727 | 2 3 | 2 8 $\frac{1}{16}$ | | 28,769 | 2 3 | 2 10 $\frac{1}{16}$ | |

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 729

COMPUTATION of INTEREST on the Increase or Decrease of the Balance due from TERRITORY to COMMERCE by the use of the fixed Board Rates, according to the Calculations at p. 111* of Appendix to the First Report of 1830, and to that of the annexed Statement, reckoned from the close of the Year in which the Increase or Decrease occurred, at the Rates of the Interest on the Home-Bond Debt.

15 Sept. 1831.

T. Langton, Esq.

| According to the Statement at p. 111.* | | According to the annexed Statement. | |
|---|---------|---|---------|
| | £. | | £. |
| Commerce Dr. at the close of } 1814-15 } | 13,368 | Commerce Dr. at the close of } 1814-15 } | 57,898 |
| Interest at 5 per cent. | 668 | Interest at 5 per cent. | 2,895 |
| | 14,036 | 1815-16, Commerce Dr. .. | 54,071 |
| 1815-16, Commerce Cr. .. | 6,291 | | 114,864 |
| | 7,745 | Interest at 5 per cent. | 5,743 |
| Interest at 5 per cent. | 387 | | 120,607 |
| | 8,132 | 1816-17, Commerce Cr. .. | 46,527 |
| 1816-17, Commerce Cr. .. | 91,231 | | 74,080 |
| | | Interest at 5 per cent. | 3,704 |
| Commerce Cr. at the close of } 1816-17 } | 83,099 | | 77,784 |
| Interest at 5 per cent. | 4,155 | 1817-18, Commerce Cr. .. | 25,723 |
| 1817-18, Commerce Cr. .. | 99,885 | | 52,061 |
| | 187,139 | Interest at 4 per cent. | 2,082 |
| Interest at 4 per cent. | 7,485 | 1818-19, Commerce Cr. .. | 14,788 |
| 1818-19, Commerce Cr. .. | 10,978 | | 68,931 |
| | 204,702 | Interest at 4 per cent. | 2,757 |
| Interest at 4 per cent. | 8,188 | | 71,688 |
| 1819-20, Commerce Cr. .. | 137,765 | 1819-20, Commerce Cr. .. | 20,229 |
| | 350,655 | | 51,459 |
| Interest at 4 per cent. | 14,926 | Interest at 4 per cent. | 2,058 |
| 1820-21, Commerce Cr. .. | 224,834 | | 53,517 |
| | 589,515 | 1820-21, Commerce Cr. .. | 195,580 |
| Interest at 4 per cent. | 23,580 | Commerce Cr. at the close of } 1820-21 } | 52,063 |
| 1821-22, Commerce Cr. .. | 399,533 | Interest at 4 per cent. | 2,082 |
| | | 1821-22, Commerce Cr. .. | 205,583 |
| Carried forward .. £ | 922,628 | Carried forward .. £ | 259,739 |

15 Sept. 1831.

T. Langton, Esq.

| According to the Statement at p. 111.* | | According to the annexed Statement. | |
|---|-----------|--|-----------|
| Brought forward .. £ | 922,628 | Brought forward .. £ | 259,730 |
| Interest at 4 per cent. | 36,905 | Interest at 4 per cent. | 10,389 |
| 1822-23, Commerce Cr. .. | 509,423 | 1822-23, Commerce Cr. .. | 445,434 |
| | 1,468,956 | | 715,553 |
| Interest at 3½ per cent. | 51,413 | Interest at 3½ per cent. | 25,044 |
| 1823-24, Commerce Cr. .. | 514,042 | 1823-24, Commerce Cr. .. | 447,280 |
| | 2,034,411 | | 1,187,877 |
| Interest at 3½ per cent. | 71,204 | Interest at 3½ per cent. | 41,575 |
| 1824-25, Commerce Cr. .. | 714,666 | 1824-25, Commerce Cr. .. | 612,232 |
| | 2,820,281 | | 1,841,684 |
| Interest at 3 per cent. | 84,608 | Interest at 3 per cent. | 55,250 |
| 1825-26, Commerce Cr. .. | 488,675 | 1825-26, Commerce Cr. .. | 431,304 |
| | 3,393,564 | | 2,328,238 |
| Interest at 4 per cent. | 135,742 | Interest at 4 per cent. | 93,129 |
| 1826-27, Commerce Cr. .. | 612,256 | 1826-27, Commerce Cr. .. | 513,855 |
| | 4,141,562 | | 2,935,222 |
| Interest at 4 per cent. | 165,662 | Interest at 4 per cent. | 117,409 |
| 1827-28, Commerce Cr. .. | 802,702 | 1827-28, Commerce Cr. .. | 662,892 |
| | 5,109,926 | | 3,715,523 |
| Interest at 4 per cent. | 204,397 | Interest at 4 per cent. | 148,621 |
| 1828-29, Commerce Cr. .. | 646,122 | 1828-29, Commerce Cr. .. | 658,329 |
| Principal and Interest due to } Commerce at the close of } 1828-29 } | 5,960,445 | Principal and Interest due to } Commerce at the close of } 1828-29 } | 4,522,473 |
| Deduct Principal | 5,154,135 | Deduct Principal | 4,048,211 |
| Accumulated Interest | 806,310 | Accumulated Interest .. £ | 474,262 |
| Same by the Statement at p. 111* | 941,880 | | |
| Difference, perhaps owing to the } Interest being taken from the } date of the issues in India, } instead of from the close of } the year } | 135,570 | | |

N. B. If the difference in the Interest in the other Computation is owing to the cause supposed, the above amount of accumulated Interest may require to be corrected conformably.

No. 31.—An Account of the several Sales of the East-India Company, in the Year 1830; specifying the Quantity of each kind of Tea sold, the Average Price at which each kind was put up, and at which each kind was sold at each Sale—
continued.

| | | SEPTEMBER SALE, 1830. | | | | DECEMBER SALE, 1830. | | | |
|------------|----|------------------------------------|--|--|------------------------------------|--|--|--|--|
| 1830. | | Quantity of each kind of Tea sold. | Average Price at which each kind was put up. | Average Price at which each kind was sold. | Quantity of each kind of Tea sold. | Average Price at which each kind was put up. | Average Price at which each kind was sold. | | |
| COMPANY'S: | | | | | | | | | |
| | | Lbs. | s. d. | s. d. | Lbs. | s. d. | s. d. | | |
| Bohea | .. | — | — | — | — | — | — | | |
| Ditto | .. | 1,401,338 | 1 5 | 1 10 ¹ / ₆ | 1,600,810 | 1 5 | 1 11 ⁵ / ₆ | | |
| Congou | .. | 159 | no price | 2 0 ⁸ / ₁₀ | — | — | — | | |
| Ditto | .. | 1,494,030 | 1 8 | 2 2 ¹ / ₆ | 1,600,741 | 1 8 | 2 1 ² / ₆ | | |
| Ditto | .. | 50 | no price | 2 1 | 17,444 | no price | 2 0 ⁵ / ₆ | | |
| Ditto | .. | 3,024,196 | 2 1 | 2 3 ⁷ / ₆ | 2,335,236 | 2 1 | 2 3 ⁷ / ₆ | | |
| Campoi | .. | 107,933 | no price | 2 1 ¹ / ₆ | — | — | — | | |
| Ditto | .. | 31,389 | 2 4 | 2 5 ² / ₆ | — | — | — | | |
| Souchong | .. | — | — | — | 29,443 | 2 9 | 4 4 ¹ / ₆ | | |
| Twankay | .. | — | — | — | 519 | no price | 2 2 ⁸ / ₆ | | |
| Ditto | .. | 1,083,541 | 2 2 | 2 4 ¹ / ₆ | 1,065,236 | 2 2 | 2 3 ¹ / ₆ | | |
| Hysen Skin | .. | 7,082 | no price | 2 3 ¹ / ₆ | 88 | no price | 2 2 ⁷ / ₆ | | |
| Ditto | .. | 36,916 | 2 3 | 2 6 ⁷ / ₆ | 16,460 | 2 3 | 2 10 ¹ / ₆ | | |
| Hysen | .. | 130 | no price | 4 3 ⁸ / ₆ | 10,824 | no price | 4 1 | | |

STATEMENT of Rates of Exchange at which the Houses named in the respective Columns have bought and sold Bills on Calcutta, from 1814-15 to 1822; also the Rates for such Bills recorded in the Minutes of the East-India Trade Committee of London, with the Medium Rate deduced from the three preceding Columns, for each Year, from 1814-15 to 1828-29 inclusive; also the Rates at which the East-India Company have drawn on Calcutta during the same Period, extracted from No. 35 of Papers, No. 22 of 1830 (February Papers), which latter have not been included in taking the Medium Rate.

| YEAR. | From Messrs. Cockerell, Trail, and Co. | From Messrs. Colvin, Barrett, and Crawford. | From Messrs. Inglis, Forbes, and Co. | Medium Rate deduced. | East-India Company's Rate. | | | | | | | | | | |
|---------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | To buy: per Sicca Rupee. | per Sicca Rupee. | Bought: | Sold: | | | | | | | | | | | |
| | s. d. s. d. s. d. s. d. s. d. s. d. s. d. | s. d. s. d. s. d. s. d. s. d. s. d. s. d. s. d. | s. d. s. d. s. d. s. d. s. d. s. d. s. d. s. d. | s. d. s. d. s. d. s. d. s. d. s. d. s. d. s. d. | s. d. s. d. s. d. s. d. s. d. s. d. s. d. s. d. | | | | | | | | | | |
| 1814-15 | May to | 2 4 to 2 4 1/2 to 2 6 1/2 to 2 6 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 15 | 2 3 to 2 3 1/2 to 2 5 to 2 5 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1815-16 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 16 | 2 4 to 2 4 1/2 to 2 6 to 2 6 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1816-17 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 17 | 2 1 to 2 2 to 2 3 to 2 3 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1817-18 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 18 | 2 2 to 2 2 1/2 to 2 4 to 2 4 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1818-19 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 19 | 2 3 to 2 3 1/2 to 2 5 to 2 5 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1819-20 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 20 | 2 0 to 2 0 1/2 to 2 3 to 2 3 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1820-21 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 21 | 2 0 to 2 1 to 2 3 to 2 3 1/2 | — | — | — | — | — | — | — | — | — | — | — | — | — |
| 1821-22 | April | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | July | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Oct. | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| | Jan. 22 | 1 9 to 1 10 to 2 0 to 2 1 | — | — | — | — | — | — | — | — | — | — | — | — | — |

(continued..)

| | | | | | | | | | | | |
|-----------------------|-----------|---|----|---|-----------------|-----------|---|---|----|---|------------------|
| Hyson | 36,338 | 3 | 0 | 3 | 9 $\frac{1}{2}$ | — | — | 3 | 9 | 4 | 10 $\frac{1}{2}$ |
| Ditto | 133,619 | 3 | 9 | 4 | 1 $\frac{1}{2}$ | 18,373 | — | — | — | — | — |
| Sweepings | — | — | — | — | — | 4,153 | — | — | — | — | — |
| Sold | 7,356,721 | — | — | — | — | 6,699,328 | — | — | — | — | — |
| Refused | 94,079 | — | — | — | — | 368,634 | — | — | — | — | — |
| PRIVATE TRADE. | | | | | | | | | | | |
| Congo | 145,513 | 1 | 8 | 2 | 2 $\frac{1}{2}$ | 351,366 | — | 1 | 8 | 2 | 3 $\frac{1}{2}$ |
| Souchong | 10,633 | 2 | 9 | 3 | 8 $\frac{1}{2}$ | 34,208 | — | 2 | 9 | 3 | 5 $\frac{1}{2}$ |
| Peloe | 89,452 | 2 | 11 | 4 | 2 $\frac{1}{2}$ | 84,101 | — | 2 | 11 | 4 | 0 $\frac{1}{2}$ |
| Twankay | 49,461 | 2 | 2 | 2 | 4 $\frac{1}{2}$ | 23,670 | — | 2 | 2 | 2 | 2 $\frac{1}{2}$ |
| Hyson Skin | 36,384 | 2 | 3 | 2 | 3 $\frac{1}{2}$ | 5,651 | — | 2 | 3 | 2 | 3 $\frac{1}{2}$ |
| Hyson | 121,108 | 3 | 0 | 4 | 1 $\frac{1}{2}$ | 219,401 | — | 3 | 0 | 4 | 1 $\frac{1}{2}$ |
| Presents | 11,311 | — | — | — | — | 21,338 | — | — | — | — | — |
| Ships' Stores | — | — | — | — | — | 365 | — | — | — | — | — |
| Sold | 463,862 | — | — | — | — | 738,100 | — | — | — | — | — |
| Refused | 861 | — | — | — | — | 109,870 | — | — | — | — | — |
| TOTAL SOLD | 7,880,583 | — | — | — | — | 7,437,428 | — | — | — | — | — |
| TOTAL REFUSED | 94,940 | — | — | — | — | 478,504 | — | — | — | — | — |

(Errors excepted.)

THOS G. LLOYD,
Accountant-General.

East-India House, }
14th March 1831.

Statement of Rates of Exchange—continued.

| YEAR. | From the East-India Trade Committee. | | | | | | Medium Rate deduced. | East-India Company's Rate. |
|---------|--------------------------------------|-------|------------------|-------|-----------|-------|----------------------|----------------------------|
| | To buy : | | per Sicca Rupee. | | To sell : | | s. d. | s. d. |
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | | |
| 1822-23 | July 18, 1822 .. | 1 10 | — | — | to 2 1 | — | | |
| | { Sept. 12, — .. | 1 9½ | — | — | to 2 0½ | — | | |
| | { Nov. 7, — .. | 1 9 | to 1 9½ | 2 0 | to 2 0½ | — | 1 10·095 | |
| | { Dec. 5, — .. | 1 9½ | — | — | to 2 0½ | — | | |
| | { Jan. 2, 1823 .. | 1 9½ | to 1 10 | 2 0 | to 2 0½ | — | | |
| 1823-24 | { April 17, — .. | 1 9 | — | — | to 1 11½ | — | | |
| | { May 22, — .. | 1 9 | — | — | to 2 0 | — | | |
| | { Oct. 2, — .. | 1 9 | — | — | to 1 11 | — | 1 10·075 | 1 11 |
| | { March 4, 1824 .. | 1 9 | — | — | to 1 11 | — | | |
| | { — 18, — .. | 1 8 | to 1 8½ | 1 10½ | to 1 11 | — | | |
| 1824-25 | { June 17, — .. | 1 8 | to 1 8½ | 1 10 | to 1 10½ | — | | |
| | { Nov. 4, — .. | 1 8 | — | — | to 1 10 | — | 1 9·250 | |
| | { March 3, 1825 .. | 1 8½ | — | — | to 1 10½ | — | | |
| | { June 2, — .. | 1 8½ | to 1 9 | 1 10½ | to 1 11 | — | | |
| | { — 16, — .. | 1 8½ | to 1 9 | 1 11 | to 1 11 | — | | |
| 1825-26 | { July 17, — .. | 1 9 | — | — | to 2 0 | — | | |
| | { Dec. 1, — .. | 1 9½ | to 1 10 | 1 11½ | to 2 0 | — | 1 10·275 | |
| | { Jan. 25, 1826 .. | 1 10 | — | — | to 2 0 | — | | |
| | { May 4, — .. | 1 9 | — | — | to 1 11½ | — | | |
| | { July 6, — .. | 1 8½ | — | — | to 1 11 | — | 1 10·000 | |
| 1826-27 | { Jan. 4, 1827 .. | 1 8½ | to 1 9 | 1 11 | to 1 11 | — | | |
| | { June 7, — .. | 1 8½ | to 1 9 | 1 10½ | to 1 11 | — | | |
| | { July 5, — .. | 1 8½ | — | — | to 1 10½ | — | 1 9·667 | 1 10½ |
| | { Oct. 4, — .. | 1 8½ | to 1 9 | 1 10½ | to 1 11 | — | | |
| | { June 5, — .. | 1 8 | — | — | to 1 10 | — | 1 9·000 | |

As the surplus profits are, by the 57th clause of 53 Geo. III, c. 155, made applicable to the reduction of the debt, and as the ground assigned for having delayed the appropriation of part of the surplus is as a reserve to cover contingent loss, I thought that as the interest arising on the reserved surplus will probably be considered applicable to the purposes of the principal, it should be set against the interest which is said to have accrued on the balance of advances between the territorial and commercial branches of the Company's affairs in each year, at the rate of the bond debt.* This interest is stated in the Account between the two branches, dated India House, 2d June 1830, at £1,531,218, and in the Account at p. 32* of the 2d Report of 1830, dated India House, 17th June 1830, at £1,536,078; and the interest on the deferred appropriations, as given in the last-named Account, at p. 33, I make by the computation annexed to this Statement, to amount to £1,510,104. I have therefore reduced the loss in the third item in the proportion of this latter amount, which would make the whole loss, by the use of the Board rates, to amount to £5,284,584; but if the reduction alluded to is to be considered distinct from this Account, the loss would then be £5,643,569, errors always excepted, from which the Account at p. 111† is not exempt. I hope none such will be found in this Account,

Martis, 20 die Septembris, 1831.

WILLIAM MARSHALL, Esq., in the Chair.

THOMAS LANGTON, Esq., again called in, and examined. •

4838. For what period have you taken the loss, by the Board rates, which you stated at the close of your last examination?—From 1814-15 to the end of 1827-28.

20 Sept. 1831.

T. Langton, Esq.

4839. What is the difference between your computation and the computation of the Company?—The loss, according to the Statement in page 111,* is £7,187,178; and by the Statement I have given in, it is about £5,600,000, making a difference of about one million and a half.

* Page 973.

4840. What is the object of the Statement you have put in relative to the loss to commerce by the use of the Board rates; is it intended to throw doubt on the Statement that the apparent amount of profits on the Company's trade is materially affected by them?—Certainly not; the fact is too striking to be overlooked. But it was recommended to me by a member of the Committee to go over the Statement, and to examine whether or no the loss by the use of the rates was not exaggerated; though its exact amount is not of much consequence, as whatever the territory gains by the rates it loses by diminished surplus profits. On inquiry, the mercantile rates did appear to me to have been taken too low, and the amount of loss from this cause to be in reality about a million and a half less than by the Statement at p. 111* of First Report, 1830. If the calculation had been made on remittances from India, the loss would have been still less, as the difference in the rates of exchange includes interest, I presume, at Indian rates.

* Page 973

4841. The remarks with which you introduce your Statement seem to contemplate no difficulty in the Company's reimbursing the home treasury by bills for the territorial charges incurred here, at fair mercantile rates; are not you aware there are apprehensions of combinations of the bankers or merchants, obliging the Company to give or accept rates of exchange, by which they would lose more than by consignments?—I have heard that such fears existed. I have no local knowledge or experience to entitle me to give an opinion on the subject; but, on general principles, I should conclude that there was a much greater probability of such combinations obliging them to buy merchandize dear, and sell it cheap, than that they should be run up in the exchanges; for the intrinsic value of the money is known to a nicety, and the recourse which may be had to bullion would prevent the attempt to force extravagant terms on the Company from being pushed too far; but, on the other hand, there is scarce any limit to the fluctuations of merchandize which has no fixed par value, and a purchaser or seller of such, on a large scale, will almost always raise or depress prices injurious to himself.

4842. Are you of opinion that any real disadvantage has arisen from the Board

No. 34.

P A P E R S

RESPECTING

THE CHARACTER AND QUALITIES OF COTTON-WOOL.

SIR :

Office of Committee of Privy Council for Trade,
Whitehall, 11th March 1831.

In compliance with an Order from the Select Committee on East-India Affairs, dated 28th ultimo, I have the honour to transmit herewith copies of all Letters and Papers respecting the Characters and Qualities of Cotton-Wool, which are to be found in the records of this office, together with specimens of several sorts of cotton.

Sir Henry Parnell, Bart.
&c. &c. &c.

I have the honour to be, Sir,
Your most obedient humble servant,
THOMAS LACK.

EAST-INDIA COTTON-WOOL.

March 1823.

THESE memoranda on the subject of East-India cotton-wool, it is humbly considered, may not unappropriately be brought under the review of the Government of the country at this moment, when the important question regarding the East-India and West-India sugar is under discussion.

The view which has been taken of this subject, after much investigation, amounts to this, that the superiority of Indian fabrics over those of this country, chiefly, if not altogether, arises from the *material*, and not from the *skill* of the natives, in either *spinning* or *weaving*. It seems to have *escaped notice*, that the cotton-wool of *America* and *India* are not grown upon the same *species of plant*. This circumstance, without further evidence, may be considered conclusive that the nature of their fruits must essentially differ, as well as the fabrics made from them.

It is beyond all doubt, that the whole of the cotton-wool of both Americas, the West-Indies and Bourbon, is cultivated upon a *biennial* plant, of which botanists make several species; but they are considered by the most scientific person in this country, if not in Europe, to be only varieties of one plant.

The

20 Sept. 1881. **Board** having persisted in the employment of the rates which had been so long used by the Company?—I think the Board acted very wisely in not admitting any change in that respect. The uncertainty and trouble to themselves, by following the fluctuations of the exchanges, would have been endless. Had the Company been left in possession of the profits beyond the $10\frac{1}{2}$ per cent. dividends, they might justly have insisted to have their accounts with the territory adjusted by the actual rates; but that not being the case, no disadvantage to any party has occurred; but a great facility in the arrangements of the accounts must result from the practice.

T. Langton, Esq.

4843. Suppose the profits on trade have not been sufficient to pay the dividends, what would have been the consequence?—The Act says, that in that case the Company may have recourse to the surplus territorial profits.

4844. Supposing there are no surplus territorial profits?—Then, I think, they would have been in an awkward predicament.

4845. Is it not then of great importance to the commercial interests of the Company to have the Board rates under those circumstances?—In that respect it might be, undoubtedly. Supposing the case had happened where the profits would not have given the dividends, but that by the employment of the mercantile exchanges they would have given the dividends, then certainly the employment of the mercantile rates would have been of great importance.

* Page 973.

4846. You say, at the close of your last examination, that the statement at p. 111* is not exempt from error; what errors are there in that statement, and do they affect the general view which it is intended to exhibit?—Of the correctness or incorrectness of some part of the statement I have no means of judging; as of the conversion of the supplies in India into sterling money at the Board rate. The errors I allude to do not affect the general view which the statement is intended to support; but they may serve as an excuse for mine, if any should be found. They occur in the conversion of the sicca rupees into sterling at the assumed rates, with six months' interest added; of the fifteen amounts of sicca rupees so converted into sterling, four only are correct, and eleven incorrect; the errors amount to C^r £9,000, and are in favour of the territory, or make the loss appear less.

4847. By your Statement you make the loss to the commerce by the Board rates £5,600,000; does not the difference between the result of your Statement and that drawn up by the Company's accountant-general with a similar object, arise principally from the difference between the rates of exchange respectively employed by you?—Almost entirely, with the exception that the loss in each year having been less in the earlier part especially, it materially affects the interest account, which forms the second item of Mr. Lloyd's Statement.

4848. Is not that which you termed the lowest rate of exchange, the rate which dealers in bills would have given to parties offering them for sale in the market?—Yes, it is what they would have given for bills.

4849. Supposing the Company, during the period to which your calculation

The cotton-wool of British India is chiefly cultivated on the *annual* plant *Herbaceum*, which is the same that is cultivated in all other parts of the world, except the countries before mentioned; but the soil and climate of most parts of British India appear to give a superiority to its quality which no cotton-wool of other countries can equal.

The objections to the East-India cotton-wool by the British manufacturers are, its dirty state when imported, the fast seeds adhering to the wool (the nature of the plant), which in the operation of removing in this country greatly destroys its quality, and the shortness of the staple, which last is an important objection, as it requires a heavy expense in the alteration of the machinery for its use; but some eminent manufacturers have declared, that if the cotton-wool of India was sent home in a clean state any objections to its use would vanish.

The great error, and that of a most lamentable nature, as regards India, was the not watching the revolution in the growth and manufacture of cotton-wool, which commenced with Arkwright's invention, between forty and fifty years ago. Previous to that period, British India, had from time immemorial, supplied all the highly-civilized parts of the known world, with her delicate cotton fabrics, which no other country on earth can imitate.

Arkwright constructed his spinning-mills, for the use of the only cotton-wool then known in this country, that from the western world. As his ingenious invention extended, an increased demand arose for the same kind of cotton-wool. Shortly after, the southern provinces of the United States drew their attention to the cultivation of the same species of plant, and for that object, largely imported slaves from Africa; and although it is believed forty years ago not a bag of cotton-wool was grown in the United States, they now supply more than half the wants of the British manufacturers, and send it to this country in their own ships, upon the same duty as from the British colonies.

It is by the means which have now been attempted to be described that the poor people of British India have lost their legitimate manufacture for foreign use, and by the opening of the trade to India, are likely, if some judicious and energetic measures are not speedily adopted, to be soon altogether deprived of the growth of cotton-wool, and the manufacture thereof for their own use.

It is not the wish of the person who furnishes these observations to contend with confidence in support of his opinion on this occasion; but he submits it for the consideration of others, who are far more competent to judge of matters of this kind than he can be, whether, under the supposition that what has been stated regarding the cotton-wool of India should prove to be correct, it would not be incumbent upon the government of the country to bring forward some legislative measure for the encouragement of the growth of fine cotton-wool in India; for in the present order of things the United States of America appear to be considered as a favoured colony of Great Britain, without having apparently any political claim to such a privilege.

There is sent herewith a small quantity of beautiful East-India cotton-yarn, which was brought to England nearly forty years ago; its softness and strength greatly illustrate the nature and quality of East-India cotton-wool, which the writer cannot help again stating as, in his opinion, deserving of immediate attention. It is hoped that the very important communication which has now been made will not be either considered intrusive or unimportant.

tions refer, to have drawn bills upon the government abroad for the supply of their home treasury, would not they have been in the situation of sellers of bills?—They would, undoubtedly; but I should conceive that their bills would obtain the best price of any in the market, at least that they would not be exposed to take the same low price with persons not of very great credit, or for trifling amounts. It will be observable, that in the rates I have returned from those different houses, there is a considerable range, sometimes a halfpenny, and sometimes a penny in the buying price.

20 Sept. 1831.

T. Langton, Esq.

4850. Are not the houses you have named houses of the first credit in London?—I believe they are, and the prices in the first column are those they have given when they have bought bills, which they have bought of course as cheap as they could.

4851. Has not the accountant-general, in taking the rates which have been given by the buyer to the seller, employed those which were applicable to the position in which the Company would have been placed in the supposed circumstances?—Certainly; if they had merely come forward, like any individual, to put off an odd bill, that would have been the case; but I have stated that they never could appear in the capacity of drawers in the way supposed here, except they were giving up the consignment of merchandize to Europe. Therefore they would be drawers upon a larger scale, and the circumstances under which bills are bought now, would not be applicable to those circumstances.

4852. Have you made any allowance for the larger quantity of bills that would have been thrown upon the market by the Company becoming large drawers?—I have; but I consider there would have been a proportionately greater demand for bills; because, upon the Company giving up consignments of goods to Europe, individuals would have said, these goods must come, and we will order them, but how are we to place the funds? and the best way they could do that would be by taking the Company's bills. Manufactures are already perhaps sufficiently upon the Indian market, and therefore I conceive there would have been a demand for bills to quite as great an extent as the Company had to offer.

4853. You are aware that the Company always had to draw very considerable sums against India for the expense of stores, and their home expenditure for their various officers, and so forth. How would those bills, if they were brought into the market, affect the market?—They are, I conceive, included in what the Company have at present to cover by the remittances of goods; therefore, if the remittances of goods were dropped, those goods would have to be brought home by individuals, ordered from this country, or consigned on speculation from India.

4854. Are you aware that the goods from India direct do not cover the demands which the Company have upon India; and generally that bullion and other sources are obliged to be resorted to?—My answer will satisfy the question

SIR :

Sise-lane, August 6th, 1823.

In consequence of Mr. Lack having intimated to me, by your desire, that my paper on East-India cotton-wool was not forthcoming at the office for trade, I use the freedom to send a copy thereof, but as I have distributed all my little stock of fine East-India yarn, I cannot supply a sample of what was enclosed in the original paper ; yet if it should be wanted it may be got perhaps hereafter.

Since I last had the honour to address you, I learn that a friend at Calcutta, at my desire, has procured a few maunds of Indian cotton-wool, of good quality, which he is to get cleaned in two or three modes, and which he is to send home for the inspection of the manufacturers of this country.

From this friend I also learn that the fine cotton-wool of Bengal has, for a year or two back, been bought up, and passed into the interior, but whether it is held upon speculation, or goes out of the East-India Company's territory towards China, is not known ; this point, and every other fact connected with this, in my humble opinion, important subject, should be minutely investigated, as alike interesting to the East-India Company, and the nation at large.

I have the honour to be, &c.

(Signed) JAMES DUNSMURE.

To the Right Honourable
William Huskisson,
Board of Trade, Whitehall.

MEMORANDA on the Cotton-Wool used in the Fabrics made in Great Britain.

ACCORDING to the opinion of the best modern botanists there are only three species of the true *Gossypium* or cotton-plant ; one, the *Arboreum*, or tree, the produce whereof is used for beds, couches, &c. but not in fabrics. The remaining two, the *Herbaceum* and *Biennial* plant or plants (for it is disputed whether there are several species, or only one of this last), are the plants which yield the cotton-wool used in fabrics. The former is an annual herbaceous plant, which is cultivated all over the East, and has extended from thence down both shores of the Mediterranean, and is also grown in the interior of Africa. The latter is a shrub which lasts several years, and is cultivated in the Archipelago of India, the Island of Bourbon, in both Americas, and the West-Indies. The former is not so productive as the *Biennial* plant ; is short stapled ; very difficult to clean from the seeds adhering closely to the cotton, and to spin, from the shortness of the staple ; yet it is from this species of cotton-wool that the natives of India have supplied the world with the most beautiful fabrics from time immemorial, and which the manufacturers of this country consider not good. The other it is well known furnishes the chief supply for the use of the manufacturers of this country, and is very largely cultivated in the United States, where it has not been grown much above forty years, and is not indigenous to the soil ; in fact it is cultivated as an annual, from its perishing in the winter months from their severity ; so that what the continental manufacturers of India (from whence all the fine fabrics of the East have come), reject when cultivated in the finest soil and climate in the world, is considered by our manufacturers as much superior when produced in a humid atmosphere and unnatural climate to that which the native manufacturers of India use ; and what renders the present state of this most important and extensive manufacture peculiarly odd, is, that we have been for the last twenty years using both descriptions, without having found out that they differed essentially in their nature from each other.

There

20 Sept. 1831. question as far as the consignments have been made ; how the balance which is yet owing might be affected, may be another question.

T. Langton, Esq.

4855. You were understood to state, in your last examination, that the discussion, whether any part of the Indian debt were commercial, originated with Mr. Melvill's evidence of the 7th of June 1830 ; are you not aware that Mr. Rickards, in answer to Question 5262 of last year, had previously asserted " that the whole of the money upon which the Company traded was borrowed from the revenues of India ;" was not that, therefore, the commencement of the discussion?—I do not consider that to have been the commencement of this discussion. I am aware that Mr. Rickards gave that evidence ; but upon referring to 5671 of Mr. Melvill's evidence, it appears to me that he is stating, totally independent of Mr. Rickards's evidence, what he considers the commerce has done for the territory, from the first times up to the commencement of the present charter, amongst which is the money spent in the wars, calculated as a debt upon the territory.

4856. Is it not probable that Mr. Melvill made that statement in consequence of what he had seen that Mr. Rickards had previously asserted?—It is possible he may ; but that does not appear to me to have any immediate connexion with it.

4857. You referred more than once to the rate of the Company's dividends, and said that for the last forty years (that is, since 1793) they had been larger than they ever shared before the acquisition of the Dewannee in 1765 ; did you make that computation on the nominal capital, or on the capital actually paid up?—On the capital on which they have usually divided. I am not aware whether the whole capital has been paid up or not.

4858. Does not it appear by the accounts before Parliament (series printed in 1793), that the capital paid up previously to 1765, was £2,800,000, being $87\frac{1}{2}$ per cent. on the nominal capital of £3,200,000?—I recollect having observed it.

4859. It appears that the Committee of Secrecy, in 1773, presented an Account to which Mr. Melvill referred (Question 4435), which shows, that from 1712 to 1722 the Company divided 10 per cent. on the nominal capital, and from 1743 to 1755, 8 per cent. ; is not 10 per cent. and 8 per cent., on a nominal capital of £3,200,000, equal to nearly $11\frac{1}{2}$, and to more than 9 per cent. on the actual capital of £2,800,000?—Upon further recollection, I think I may venture to assert, that £2,800,000 is all that ever was paid up on the original shares of £3,200,000 nominal stock, though therefore the 10 per cent. dividend on the nominal capital from 1712 to 1722 was actually near $11\frac{1}{2}$ per cent. on the subscribed capital ; the dividends since 1793, of $10\frac{1}{2}$ per cent., have been in fact 12 per cent. on the subscribed capital of the stock existing previous to 1765, to which only the comparison applies, and not to the stock since created, for which the subscribers paid market prices, 155 per cent., 172 per cent., and 200 per cent.

4860. The

There can be no doubt of the produce of the Herbaceum from the Levant having been used in this country in the infancy of our cotton manufacture, but of an inferior quality to that of India; and it must be apparent to any reflecting person, that the preservation of this beautiful manufacture to the interesting population of British India for so great a length of time,* could not have arisen from any other cause than that the material used was superior to all others, and (as was before observed) that the finest tropical soil and climate in the world gave it that advantage.

* 3,000 years by record.

It is alleged, and believed to be true, that nearly double the quantity of India cotton-wool is exported annually from Great Britain to the Continent of Europe than what is consumed by the British manufacturers; and of the cotton thus exported, about one-half is shipped to the Netherlands, and a great portion thereof reaches Schaaflhausen, and is manufactured in that neighbourhood; and it is confidently contended by various parties, both in this country and on the Continent, that the fabrics of the Swiss are of better quality, and approach nearer to those of Bengal, than any which are made in Europe.

It admits of no doubt that large supplies of cotton-yarn, made of American cotton-wool, have been for some time sent to India; and that the shipments are rapidly augmenting. This is a great evil, as the fabrics of India must in a very short period of time, if measures are not taken to counteract it, become as inferior as British, and the consequences to this empire and to India, must prove extremely ruinous and disastrous.

The sample of beautiful India cotton-yarn herewith sent, spun upon the distaff and a crooked wire, with a lump of clay attached to it as a spindle, has been upwards of forty years in this country, and fully possesses all its original good qualities.

N. B.—The coarse yarns in India are spun upon a small wheel in the same mode as the worsted-yarns are made in the North of England and Scotland, upon a larger wheel, and which process has great analogy to the manner the frames move in the spinning-mills of this country.

Office of Committee of Privy Council for Trade,
Whitehall, 18th August 1823.

SIR :

The Lords of the Committee of Privy Council for Trade having had under their consideration some observations relative to the imperfect manner in which East-India cotton-wool is prepared for the British market, which have been communicated to them by Mr. James Dunsmure, of Sise-lane, merchant, I am directed to transmit to you a copy thereof, and to request that you will lay the same before the President and Members of the Board of Control, in order that they may, if they shall see fit, bring this matter under the consideration of the Directors of the East-India Company.

T. P. Courtenay, Esq.
&c. &c. &c.

I am, &c.
(Signed) THOMAS LACK.

SIR :

Sise-lane, 31st January 1825.

Since I last addressed a letter to you regarding the cotton-wool of India, an occurrence has taken place which I consider proper to notice for their Lordships' consideration; and would also beg leave to make some further observations on the same subject, which must be my apology for again troubling you.

Last

4860. The dividend having been divided upon a larger sum, of course makes the dividend greater upon the sum subscribed?—It would undoubtedly, for those years, if the full nominal amount had been paid up on the £3,200,000 since 1765, but which I believe it has not been. 20 Sept 1831.
T. Longton, Esq.

4861. Are you aware that the sum paid up by the proprietors for the present nominal capital of £6,000,000, to which it was increased in 1798, is £7,780,000?—No, I was not aware of that.

4862. You are aware that the rate of dividend since 1793 has been 10½ per cent. on the nominal capital; is not that 8½ per cent. on the capital actually paid?—If the capital paid up has been £7,780,000 and the nominal capital has been £6,000,000, of course that has been effected in the way that is stated; but I was not aware of the circumstance, and it is a very unusual thing for more than the nominal capital to be paid up.

4863. You contrasted the proceedings of the Committee of 1782, from which the Ninth Report emanated, with those of the Committee of 1783, to which Mr. Melvill referred (Question 4444), and you appear to think that more importance is to be attached to the former than to the latter; do you not know that the Committee of 1782 never directed its attention to the expenditure in the wars previously to 1765, whereas the Committee of 1773 devoted themselves to that point of inquiry; and is it not therefore evident that the latter and not the former, is the document applicable to any question connected with that expenditure?—I should not conceive so. The Committee of 1782 took up the subject only where the Committee of Secrecy of 1773 had left it. They did not go into the period of the earlier wars, for that had already been inquired into by the Committee of Secrecy of 1773; and the inquiry of the Committee of 1783, referred to by Mr. Melvill, occupied so short a time, that it cannot be considered that any light could be thrown upon the subject by an inquiry of that kind, which merely reported that the allegations of the petition had been proved by the statement of the officers of the Company. The petition was presented on the 5th March, and the Report was brought up on the 12th of March.

4864. Does not it appear in those Reports that the produce of those investments, to which the Committee of 1782 referred as having been furnished by territorial means, is accounted for by the Committee of 1783, in the passage quoted by Mr. Melvill (4444), and is it not therefore obvious, that so far from there being any discordance in the statements of the two Committees, they are perfectly consistent the one with the other?—The Committee of Secrecy has not gone into that part of the account, and therefore it has said nothing, either in contradiction or in support of what the Committee of 1783 said. The Committee of 1783 states the amount produced from the sale of those investments, taken from those accounts which are printed in my evidence, and also in the Estimate, and that is all the data there are for it.

Last spring a director of the East-India Company, who was long resident in India, and was at one time interested in the manufacture of piece-goods there, requested of me that I would address a letter to the Board, giving an outline of my views on the nature and qualities of East-India wool. My former communications (four years ago) were made to a friend when chairman and deputy, but were considered in some degree official.

To this request I consented, but rather reluctantly, for reasons which it is not necessary to mention. The result was, that my letter was read at the Board, and referred to a Committee; but what passed there was not made known to me. The director I have alluded to assured me he supported my views; but from a remark made, it might be inferred there was an unwillingness in the Committee to attempt any change in the present state of matters, from an impression that the material used at present in our cotton fabrics answered the purpose. I hope there may have been some mistake on my part in rightly comprehending what was meant to be conveyed by the last observations; for I cannot for a moment suppose that such an opinion could well exist in that quarter after any deliberation or reflection.

My first impression on this interesting subject remains unaltered; to me it appears impossible that I can be wrong. It is established beyond all doubt, that the plants essentially differ on which the cotton-wools of India and of America grow. The rich alluvial soil with which the greater portion of British India is periodically refreshed from the Hymmelah and other mountainous districts, as well as the dryness of its atmosphere, render it the finest country in the world for the cultivation of all descriptions of tropical products. Both South and North America, on the other hand, have very humid atmospheres, arising naturally from their shores on either side being washed by immense oceans. The cotton-plant which is cultivated in these Continents grows also in India, but its produce is held by the natives to be inferior in quality to theirs,* and the antiquity of their cotton manufacture can leave no doubt of their judgment being right on this point. But what most surprises me is, that this country, and particularly the spinners and manufacturers, should not have discovered that the cotton-wool which grows in the United States, and from which our chief supply is derived, cannot be of equal quality with that which is grown in countries where the plant is indigenous; and it seems still more extraordinary, that considering the manufacturers have now, for a good many years, been using in part India cotton-wool, should not have discovered that its quality was both distinct and superior to that which they had previously been confined to the sole use of.

At times various measures have been afloat in my mind for correcting what appears to me a hideous calamity to the country; but none, I consider, could be made effectual without a legislative enactment. The manufacturers have no views beyond immediate gain. They in general want no change in the material, because it would occasion a heavy outlay in new machinery; and they find the material at present in use, as was observed before, answer their purpose.

Without perhaps, having sufficiently looked at consequences, and reflected on difficulties which may occur, but after having given the subject all the consideration which I am capable of doing, and keeping in view the safety of the state, and its general interests, and also the well-being of that immense and interesting population, the natives of India, I hesitate not to state, that to permit the cotton manufactures of India to come to this country nearly on the same terms as those on which British fabrics go to that country, would be a judicious measure. It would draw forth the best exertion of the manufacturers of this country to imitate the fine muslins of India, which they could not do without using their fine cotton-wool. There would be a competition also in the coarsest descriptions of calicoes, for those of India have more substance; and to equal them the British manufacturers would require to use India wool.

No doubt there would be a great clamour amongst the manufacturers, but with what justice? India has the greatest cause to complain. This country has established an
extensive

20 Sept. 1831.

T. Langton, Esq.

4865. Does not it appear from the statements of the Committee of 1783, in the passage quoted by Mr. Melvill, that the whole sum realized from the territories was applied in payments of the government participation, and in redemption of the Company's bond debt; and as the Committee also state that the Company's bond debt in part arose from their military expenses in India, and that those expenses during the wars prevented the Company from discharging the whole of the bond debts out of their ordinary profit, would it not seem that the Company, as a commercial corporation, derived no advantage in the shape of dividends from the investments affected by the territory in the period referred to?—In the shape of dividends, I consider they certainly received some advantage, for their dividends from 1756 up to 1765 had only been six per cent., and after that they were increased to ten or twelve per cent, and they were afterwards, in 1772, reduced, for a short period, to six, but again raised to eight; and, upon the whole of that period, what they received in dividends beyond what they would have received, if the rate from 1756 to 1765 had continued, is, I believe, nearly £1,000,000.

4866. Are you aware that the words of the Report in the year 1783 are as follow: "It also appeared, that the Company have received and realized in England from the territories and revenues in India no more than the sum of £3,622,969, from which deducting the sum of £2,169,398 paid to government, the sum remaining for the Company amounted to no more than the sum of £1,453,570, which was appropriated in the reduction of the Company's bond debt, and the said sum of £1,453,570 being deducted from the sum of £5,069,684 leaves the Company in disburse, upon account of the wars by which the territories were acquired, to the amount of £3,616,113, besides interest?"—Undoubtedly it is so stated in the Report, and the foundation of it is the precise accounts printed in my evidence and no other; they state that the Company was in disburse on those accounts; I have no doubt that they were in disburse, but, with regard to the dividends, they certainly derived the dividends I mentioned during this period.

4867. If the money was applied as this Committee has stated, does not it show that the dividends were not increased from that source?—From what source they were increased I cannot pretend to say, but that they were increased during that period, and that during that period, by the admission of the accounts, a sum was drawn from India, is not disputed by the Company. My account did not state what the Company had realized, but what they had actually drawn from the territory of India, which was what I wished to show.

4868. You were understood to state, that the Company never claimed reimbursement from the Indian territory for the sums expended previously to 1765; and yet you yourself subsequently admitted, that in 1783 the Company, upon the ground of those expenses, petitioned repayment of at least a portion of the money which the public had received for participation in the Indian revenue.

extensive manufactory within the last fifty years, with bad materials, to the destruction of India, and with doubtful advantage to itself, but evidently greatly to the benefit of other states, who have no great claim thereto. If the manufacturers were to take an enlarged view of the subject I am satisfied they would see it greatly to their advantage that such a measure as I have alluded to should take place; for India would take off an immense value in cotton fabrics, which we could supply on cheaper terms than they could make them, but only on the supposition that we used their cotton-wool, as thereby they would be enabled to pay for them. Such descriptions of fine muslins as they make in India, and which we cannot equal, they have a just right to furnish to us; and it would be lamentable if they were to be deprived thereof, or that the skill of those ancient manufacturers should be lost to the world; nay, the honour of the country appears to me to be in a certain degree pledged for its preservation. Already it is ascertained they have lost the art of making certain delicate fabrics, and all their fine descriptions must soon follow, unless some relief is granted.

With reference to sugar, I believe that I am correct in stating, that looking back within my recollection, British India did not cultivate more than enough to supply its own wants, if so much; and its extension of the growth thereof can easily be traced to its being deprived of advantages which it enjoyed in former times from other products. I cannot conclude this ill-digested letter without expressing a hope that their Lordships will give the subject an early consideration, as being one of important interest to the welfare of the country.

I have the honour to be, Sir,

Your most obedient humble servant

Thomas Lack, Esq., &c. &c. &c.
Board of Trade

JAS. DUNSMURE.

SIR :

Sise Lane, 15th December 1825.

It was not my intention to have again intruded with any further observations of mine regarding the cotton-wool of India for the information of my Lords of the Committee of Trade, as I had stated pretty fully what my notions were in various communications to you formerly, although in a very defective way; but a circumstance came accidentally to my knowledge last week, which I think points out forcibly the growing evil arising out of the present state of the cotton manufactures of this country, and which altogether, in my humble opinion, originated the error regarding the material used.

In accidentally passing the warehouse of a friend who acts as agent for the Lancashire manufacturers, I noticed, independent of a great number of packages of piece-goods, which might in value be about £10,000, a good many heavy bales, which in number were about 50; and on inquiry of my friend, he told me they contained fine cotton-yarn, which would accompany the other packages to India, and were made from Sea Island (Georgia) cotton-wool. He (knowing my opinion regarding India cotton-wool) lamented, he said, the circumstances, but he was only an agent or middle-man. I had not gone from his warehouse 100 yards when I met another friend, who I knew was a shipper to India of British cotton piece-goods, and mentioning the circumstance which I have just alluded to, he told me that the yarn was for him, and also that there were considerable supplies of cotton-yarn sent in the same direction by others, and which were chiefly disposed of in the Eastern Archipelago, and to a greater extent than that of Bengal, or from the Coast. He further mentioned, that considerable supplies of British yarn were sent to Bombay; but where it was manufactured into cloth he could not inform me.

I confess

revenue. Is it not then clear that the Company did claim reimbursement of the war expenses out of funds derived from the Indian territory; and does it not appear that the Company, in their petition to Parliament in 1813, distinctly asserted their claim, in the event of the territory being assumed by the public, "to reimbursement of the expenses incurred in acquiring and maintaining it." How then could you say that such a claim was never thought of until Mr. Melvill's evidence of the 7th June 1830?—The Company claimed the repayment, not from the territory of India, but from the government of this country, of as much as had been taken from the surplus revenues; they did not push their claim any further than that; the claim in 1813 was also from the government of this country.

20 Sept. 1831.

T. Langton, Esq.

4869. You said, that if the sum of more than five millions, expended in the wars, had been repaid to the Company, fifteen millions must have been simultaneously paid to the public, they being entitled to three-fourths of what the Company got; are you not aware that the public only participated in profits, and do you not perceive the distinction between the payment of a debt, and the payment of a share in profit?—If the plan had been acted upon, of the government receiving three-fourths of the surplus revenues, then undoubtedly for five millions that the Company drew from those revenues, the government must have drawn fifteen; and it was only the profits or surplus revenue that the Company was authorized to take.

4870. Did you mean the Committee to understand, that whilst the Company were expending their five millions, that is before 1765, the public had any right of participation; and if, as was the case, they had no such right until after that period, how can you bring into collision the Company's expenditure with the government share?—That the Company expended that money previously there may be no doubt; but it does not follow that that expenditure of necessity should be considered a debt on that particular territory which they happened to acquire, and which they might not have acquired. It might have been money lost.

4871. You know that in 1767 the government laid claim, on the part of the public, to all the Indian territory. If that claim had been then admitted, and the Company had been dispossessed of the territory which they had just acquired, at the expense of more than five millions, would it consist with your notion of justice, that the Company ought not, in such a case, to have been reimbursed that expenditure?—Probably it might, but by what party; I should say by the government of this country, not the territory of India.

4872. If the public had taken the territory in 1767, and reimbursed the Company the five millions spent in acquiring it, do you not imagine that that sum would have been charged by the public to the Indian territory, just as much as it is now charged by the Company as a territorial expenditure?—What the government would have done in that case I do not know; it might

I confess when one reflects upon the present singular and unnatural state of the cotton-wool supplies for the use of our manufacturers, and the extraordinary revolution which has taken place in the growth and manufacture in my time, this does not surprize me ; nay, it has only been my astonishment that it did not take place at a much earlier date.

It must be apparent to persons of the most ordinary understanding, that ere long those beautiful fabrics made hitherto in India, which have been the admiration of all nations from the remotest period of time, must be lost to the world for ever ; and that the cotton cloth and muslins made in India must become as inferior as British, unless some measures are resorted to which are commensurate to the evil.

To me it appears the simple points to be considered, are, whether there is not an essential difference in the nature and qualities of India and American cotton-wool, and if there is, which is the best ; and if the Indian is better than that of America, what measures can be taken to induce the manufacturers of this country to use it in preference.

It is certain that India fabrics are made from cotton wool, the growth of that country, and taken chiefly, if not altogether, from the produce of the herbaceum. That the biennial plant of America is indigenous to India, but that the ancient manufacturers of that country do not consider its produce good, otherwise from its being more productive, longer stapled, and easier cleaned, would have been generally used by them. That the cotton-wool of America is altogether the produce of the biennial plant, and as respects the chief supply for our manufacturers, cultivated in a humid atmosphere, and in a climate where nature never intended it should grow.

Taking the preceding facts as true, there cannot exist a doubt of the cause of India fabrics surpassing all others in the material, for it is ascertained neither the spinning or weaving could occasion it.

To the close resemblance which the two descriptions of cotton-wool bear to each other (perhaps nearer than almost the fruit of any other two species of plant), may be imputed the error of the manufacturers of this country not having discovered the distinction in their qualities, and why a consequent attempt has not been made to bring it into general use in British fabrics.

If the cotton wool of the herbaceous plant is better than all others, and British India furnishes it of a finer description and on easier terms than any other country, positions for which I contend, then the present state of matters is fraught with the greatest possible calamity to this country and to its Indian possessions ; but on the other hand, could my views be realized, then we must have the entire manufacture of the cotton goods of a fine quality for the whole world so long as India is attached to this country, and our present maritime superiority is maintained.

I am respectfully, Sir, your most obedient servant,

Size Lane

15th December 1825. }

Thomas Lack, Esq. &c. &c. &c.
Board of Trade.

JAMES DUNSMURE.

SIR :

Size Lane, 30th January 1826.

Agreeably to the promise I made when you lately favoured me with an interview, I now send you samples of a few bales of East-India cotton-wool, just landed from Bengal.

By directions which I sent to India, this cotton-wool has been cleaned by the natives in different ways ; and it is my intention to submit the wool in the different states to the trial

20 Sept. 1831. have been a paternal government, or it might have been one of oppression and exaction.

T. Langton, Esq.

4873. Why should it be oppression and exaction to charge a debt against the territory, for whose service the money was expended?—That is precisely the point upon which I differ from Mr. Melvill; I cannot see that the five millions was expended for the use and advantage of the territory of India.

4874. Do you account it then a mere commercial speculation?—Not a commercial one, certainly.

4875. Then under what head would you place it?—If it were a voluntary thing on the part of the Company, going into those wars, I should say it was a very inexcusable speculation, but hardly a commercial one.

4876. The East-India Company, constituted as it is, having expended five millions in the acquisition of a very valuable territory, where should that charge fall?—I cannot see any party to throw it upon; it is money lost, but it may have been got back again, I conceive, in the remission of duties between 1765 and 1814.

4877. Are you not aware that the Company had the advantage of trading to Bengal, free from duties, before 1765?—I am aware that there were discussions and disputes upon that subject; but I should not think it was a right which they possessed safely and exclusively at that period. Mr. Melvill states, that it was by a grant from the Mogul. If it was by a grant from the Mogul, that grant would stand upon the same footing as the grant of the Dewannee, and that ought to be set against the expenditure equally with the other.

4878. You referred to two years of the period previously to 1780, in which the investment was £1,200,000 per annum, and which, as there was then a territorial surplus, you think, must be held to be a commercial debt; do you mean to say, that whenever in any particular year the territory may happen to advance more than the commerce, the excess should be absolutely debited to commerce; but that when the commerce happens to advance more than the territory, the territory should not be debited with the excess?—The commencement of the question attributes to me what I never meant to say. I suppose the question refers to my having said, that when, during a period in which commerce was drawing from territory a surplus revenue (1765 to 1780), loans were contracted for the purchase of investment, such loans ought to be considered commercial. But if commerce advances to territory, I consider that territory should be debited for the advance.

4879. Admitting, then, the justice of reciprocity, if in the two years to which you referred there happened to be an excess of advances by the territory, ought it not to be stated, as Mr. Melvill has stated it, in diminution of any balance previously due to commerce?—It does not appear that at that period, unless the £5,069,000 be admitted as a debt due to commerce, that there

trial and inspection of the manufacturers, in order to obtain the best and surest information to direct as to the state in which it is most suitable to the spinners in Europe.

I did expect to have been able to have ascertained the first cost, and all expenses and charges, until landed in London, upon this experimental importation; but on investigating the matter, I notice the waste of cotton in cleaning, in the different modes, is not stated, which prevents me from giving more for the present than the cost of cleaning in each mode, and the broker's opinion of the value; but which last I do not consider its intrinsic worth, or what it would fetch, had the manufacturers a correct knowledge of its value.

There is, perhaps, a nearer approach in appearance of the cotton-wool of India and America than is to be found in any other distinct species of plant; and to this, in my opinion, is to be imputed the almost total ignorance which prevails with respect to the nature and quality of this most important article of commerce. Not three years ago Mr. Francis Philips, of Manchester, who, with two or three other manufacturers, consume more India cotton-wool than all the spinners in Great Britain, assured me he knew no more distinction between the cotton-wool of India and America than what is noticed in one apple differing from another. Now as this respectable character is not only well acquainted with his business, but has excellent general information, it may be fairly inferred that the manufacturers throughout Lancashire, as well as in Scotland, are at this moment, with a few exceptions, ignorant of the important circumstance which has now been alluded to, and are consequently unable to make any judicious attempts to bring the cotton-wool of India into general use.

That a new country like the United States should be able to secure to itself, in a period little better than thirty years, so valuable a source of wealth, by the growth of a plant which is not only not indigenous to the soil and climate, but which also cannot be preserved without being annually renewed, and cultivated too by unnatural labour, to the exclusion of a country where a finer plant and produce is cultivated, and which it is on record had for thirty centuries supplied the whole world with the finest fabrics, appears hardly credible; but I lament to state, the fact can admit of no doubt or uncertainty.

If an humble individual might be permitted to offer an opinion upon the present position of the commercial relations between this country and the American federal government, I would state that, placing into one scale of the balance of the empire the profit which it derives from the furnishing a considerable value in manufactures to America, it is much more than counterpoised by the advantage which must be put into the other scale, from the cultivation and carriage of such a large portion of the raw material consumed in our manufactures; and that it tends importantly to weaken the right arm of this country, and strengthen that of the other.

There will be annexed some slight observations made by me on the nature of India cotton wool, and may not be important; but it appears to me if science was to be applied to the inquiry, the relative nature and quality of Indian and American cotton-wool could be very quickly and minutely ascertained by a chemical analysis, and which I with great deference submit should be resorted to.

I am, with respect, Sir, your most obedient servant,

Thomas Lack, Esq.,
&c. &c. &c.

JAMES DUNSMURE.

Board of Trade, Great George Street.

there could be any debt due to commerce, because commerce had been receiving, during the whole period, the surplus revenue of Bengal; and though, from the part which government claimed in it, the remainder may have been but small, still it was always a receipt during the period; there could be no debt due from revenue to commerce, except that particular one of the monies spent in the wars before the acquisition.

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T. Langton, Esq.

4880. Suppose there had been a debt due to commerce, what would the advance then have been?—Then, of course, I should have set off the advance by the territory in those later years against that debt.

4881. If monies borrowed by the territory pay this debt to commerce, is it anything but a territorial loan?—If there had been a debt due to commerce previously, and the money borrowed upon loan to make this last investment in the years referred to had only just liquidated that debt, then I should say, that the loan was territorial; but I cannot see where the debt to commerce can have existed previously to that time.

4882. In stating, as you did, that the whole of the commercial establishments were defrayed out of the revenues, were you aware that, in the interest account delivered in by Mr. Melvill, the full expense of maintaining the settlements, previously to 1765, is charged to the trade; and do you not know, that in all the accounts subsequent to 1780, the commercial expenditure is distinctly charged?—The amount charged by Mr. Melvill is precisely that which, in the account from the committee of proprietors, is stated to have been the annual expense of the establishment between 1730 and 1745.

4883. Do you not know, that in all the accounts subsequent to 1780 the commercial expenditure is distinctly charged?—I see in the Estimate that there is a column for commercial charges not included in the invoices; and in my evidence I stated distinctly that I conceived that all the establishments, territorial as well as commercial, had been paid out of the revenues up to 1778-79, which was as far as I had seen the accounts; and I did not extend my remark beyond that year.

4884. Does it not appear from Mr. Melvill's statement, that if the territory had been charged interest on the sums which the commerce expended in acquiring it, the amount of such charge would have greatly exceeded the charge of establishments from which the commerce was released in 1765?—I have no doubt of it.

4885. You say that the error which you have committed, under the head of batta, is one into which you could not help falling, from the structure of the accounts; have you forgotten that the accounts of the Committees of 1773 and 1782, from which you say you prepared your statements, distinguish, in separate columns, the profit and loss on exports from Europe from the profit and loss from batta, &c. which columns you have mixed; and do you not see that you had the means, in a great measure, of avoiding the
confusion

SAMPLES of Eight Bales of Fine EAST-INDIA COTTON-WOOL imported in the Marquis of Hastings from Bengal.

| Samples. | — | Cost of Cleaning. | Brokers' Value. |
|----------|--|----------------------|--------------------|
| | | <i>d.</i> | <i>d.</i> |
| 1. { | Bale, No. 1 } — 2 } cleaned by bowing, &c. - | 1½ per lb. | 7 |
| 2. { | — 3 } cleaned by beating with — 4 } sticks, &c. - - - - | ¾ | 6½ |
| 3. { | — 5 } cleaned by hand-beating, — 6 } &c. - - - - - | ¾ | |
| 4. { | — 7 } cleaned in the ordinary — 8 } way - - - - - | ¾ | |

N.B.—The quality of the whole of the bales is the same, having been purchased at Mirzapore at one price; but from the weight not being given which the bales now contain, so as to ascertain the waste in cleaning, and the freight home, and other charges not being adjusted, makes it difficult to come at, with accuracy, the cost in London for the present.

REMARKS on the Cotton-Wool of India, the produce of the Herbaceous Plant.

A respectable calico-printer in Scotland states that in former times when he stamped a great quantity of East-India calicoes for the Continent he noticed his colours were brighter than when he used British fabrics.

The writer of this, about eighteen months ago, caused a piece of calico to be made with great care, composed from yarn made from American and Indian cotton-wool, by which one quarter was all American, another all Indian, a third Indian warp and American waft, and the fourth the reverse of the last. This piece of cloth after having been sent up to London for inspection was returned to Lancashire to be bleached, and printed by the first printer there; it was sent up admirably executed, but not the slightest shade could be discovered in the colour of the different compartments; but it arose, it is believed, from acid being now universally used in the bleaching of both cotton and linen cloths. This piece of cloth is now in London, and, if their Lordships desire, it will be sent to the Board of Trade for their inspection. The Lancashire manufacturers considered that the piece being of one appearance was favourable for India wool, but the writer expected the part of the cloth made from the India wool would have been superior, and would have made a second attempt by getting the cloth grass-bleached; but as no encouragement was given to the inquiry, he declined being subjected to further expense.

There

20 Sept. 1881.

T. Langton, Esq.

confusion to which your refer?—My object in considering the account was to bring it into as small a compass as possible, and I threw the gains and losses into one head, because I conceived there could be no reason for making them distinct in such an account as that was. There are, undoubtedly, two columns, one of which is headed, Gains and Losses on European Goods, and the other is headed, Gains and Losses arising on Batta, at Factories, on India Goods, &c. I concluded both to be commercial, and therefore threw them together.

4886. You said that the losses upon coinage must equally have been incurred in both branches; but by your mode of stating this head of account, have you not thrown the whole of such loss on the trade?—I have undoubtedly thrown the whole loss upon the trade, because I conceived, when I drew up the account, that it was purely commercial. I should have conceived it quite natural, when territorial payments have been made which required the allowance of batta upon them, that the whole sum, both the original sum and the premiums upon it, would have been entered in the charges as the sum paid.

4887. Are you not satisfied now that they ought not to be wholly charged to the trade?—From Mr. Melvill's explanation I suppose that it is so; but at the same time I conceive that there must also have been similar batta upon the commercial payments and receipts, and that probably, therefore, they are both included in that. Mr. Melvill's expression, I think, is not a very positive one, he says, "they must have accrued to the territory."

4888. You referred to the Ninth Report of 1783, to show that a heavy loss was incurred on the transmission of investment from India. Supposing such to be the fact, and that the Company's commerce was a medium for the conveyance of territorial tribute, is it not obvious that the loss which may have been so sustained was territorial and not commercial in its character?—I should say not. I should say that if the Company were gaining upon their commercial transactions, and managed those well, they ought to have made the investment in such a manner as not to incur a great loss by the transmission of it. I should think it very hard if the territory were to be burthened for the mismanagement of the Board of Trade at Calcutta.

4889. You are aware that £400,000 a year was paid to the Government as a tribute from India. Suppose that, for the purpose of meeting that and other charges in this country, goods were sent home; if there was a loss upon those goods, ought it not to fall upon territory?—I should then say that the surplus revenue had turned out less than was expected, that it paid so many hundred thousand pounds in Bengal, but that when it came to be sent to this country it turned out so much less, but not that the difference was any debt to be charged upon the territory.

4890. Supposing that the surplus be deficient, which renders it necessary to derive additional funds from other sources, does it not come to the same thing

There can be no doubt the East-India cotton-wool possesses an essential oil, which the American has not. There is at the East-India House two samples of cotton-yarn, the one from India, and the other American cotton; they were attached together and dipped in an indigo-blue vat. The result was, that the yarn from the Indian cotton was a much brighter colour than the other.

The small sample of dyed cotton yarn, (No. 5), was sent in the present month, (January 1824), from Gibraltar, requesting that a few tons might be shipped if the price did not exceed the limits. The dealers in yarn in London considered it foreign, and to imitate it, the dyeing would be 3s. per lb. and the cost 1s. 6d. per lb., but it was sent to a manufacturer in Lancashire for execution, who stated it was his own yarn, and dyeing; that it was made from Surat cotton, and that it could be supplied at a price not much above half what the London dealers reckoned.

The cotton-wool from the herbaceous plant is the only description which can be used for making candle-wicks. The Turkey cotton is what is chiefly applied to this purpose, but if any other is resorted to, it is that of India. The cotton-wool of the biennial plant will not suit. There appears to be an elasticity in the herbaceous cotton-wool which occasions a cavity in the wick, and thereby the air passes freely through it, and makes it burn bright, which is the reverse in the cotton-wool from the biennial plant of America, as the thread is dense, and the air passes through with difficulty.

No. 6, is some seed of the Brazil cotton; it is more of a distinct character than any of the other variety of biennial cotton-plants. The seeds adhere to each other, and which state it preserves when cultivated in the West-Indies or elsewhere. This, it is believed, is what the botanists call latifolium, and is commonly called chain or kidney-seeded cotton; it is this description which it is believed is not cultivated with so much success in Egypt.

There was received along with the cotton-wool from India a small model of the machine used by the natives in India for freeing the cotton-wool from the seed. It is now with Dr. Wilkins, at the India-House, who states it to be a perfect model, and who has promised to make some observations upon it at the request of the writer. If their Lordships should wish a sight of it, it can be sent up to the Board of Trade.

No. 7, a sample of beautiful East-India cotton-yarn, brought to England forty years ago, by Admiral Sir E. Hughes.

No. 8, seeds of the herbaceum.

Sise Lane, 3d February 1827.

Sir:

I am fearful I shall appear intrusive to my Lords of the Committee of Trade in again addressing you for their Lordships' information regarding cotton-wool; but as the subject has much occupied my attention for a good many years back, and is in my estimation of great importance to the state, I hope that the freedom I take will be excused.

In my last letter, dated in December 1825, I took notice of considerable shipments of cotton-yarn for India, made from American cotton-wool, then going forward, which shipments continue to be made on a more enlarged scale. Up to the 5th October last the quantity shipped exceeded 500,000 pounds. The statement to the 5th January is not yet made up, but I am greatly misinformed if it shall not be found to exceed much the proportion for the last three months that of the previous nine.

It appears, at first view, to be more beneficial to India, that yarn should be sent out to them from this country than manufactured cloths; and if there existed no distinction in the

thing as if you charged it as a debt?—It does not appear that it has been altogether deficient; for though it has rendered the sum realized small, yet there has been a sum realized.

20 Sept. 1831.

T. Langton, Esq.

4891. You seemed to think, from 10 per cent. having been added to the invoice cost of all exports from England, that the territory must have borne a portion of the commercial charges of such exports; is not the difference between the invoice cost, including that 10 per cent. and the sale amount, stated in the Indian accounts as profit or loss, and consequently, can any part of the charges comprized in the 10 per cent. have possibly entered into the charge on the Indian territory?—I think I have been misunderstood there. I did not say that any part of the commercial charges upon those goods had been defrayed by the territory, but that from the 10 per cent. having been added to the invoice cost, and that 10 per cent. having been understood to include part of the expenses of the establishment at home, and as the whole amount of the invoices had been charged in that Account, at p. 256* of my evidence, as supply towards the purchase of the investment, therefore the whole, including part of the expense of the establishment, had been considered as supply.

* Page 392.

4892. Supposing that from this country £1,000 was sent, and 10 per cent. as charges put upon that, and that in India it sells for £1,200, which is stated as the amount realized, under what circumstances can you say that any portion of that is borne by the Indian territory?—If the £1,200 is stated as part of the supply, that £1,200 has not been actually expended by the Company, except by taking in part of the charges of the establishment. In the form of these accounts all supplies from England go in part provision of the investment, and what they do not supply has been supplied by the territory. The expense of part of the establishment has therefore been considered as part of the supply towards the provision of the investment, and only the difference has been charged.

4893. Has the supply been any more than what the goods realized upon the spot?—No.

4894. Does it not appear that, previously to 1765, the Company, in their commercial character, incurred an expense for the maintenance of settlements in India beyond the revenues?—Previous to 1765, I should consider the whole of that, both the revenues and the expense of the establishment, to be part of their commercial charges. If they could not carry on their commerce without having expensive establishments, troops and forts, then those are part of the commercial charges. If the Company had never acquired territory, there could be no other source to pay them from but the commercial profits.

4895. Must not the territorial assets which existed in 1765 have been the property of the Company in their commercial character?—Certainly.

4896. It would appear that you have endeavoured to controvert Mr. Melvill's assertion, that in 1765 the assets left with the territory more than equalled

the nature and quality of Indian and American cotton wool, and India and British fabrics, it would certainly be the better mode, as thereby they would have the advantage of wearing their own fabrics; and so long as the India fabrics are distinguishable from all others, however much the manufacture is contracted, there is a ray of hope existing, that the British manufacturers will find out their superior quality, and the cause thereof, and attempt to imitate them. But by the system of trade which has now been alluded to, there is a progressive advance towards the total extinction of the exquisitely beautiful cotton manufactures of India; an event fraught with, in my opinion, most calamitous consequences to that fine country and interesting people, and in other respects not beneficial to this empire, as I formerly have taken the liberty to notice.

When in Lancashire a few weeks back, on business, a retired manufacturer was introduced to me, who wished for some information regarding India cotton-wool. He admitted, that until I mentioned it to him he was in total ignorance of there being any distinction in the species of plants which yielded Indian and American cotton-wool; and he was confident that the manufacturers throughout Lancashire were generally in the same uninformed condition. This state of ignorance ought not in my opinion to be allowed to exist longer.

It has been represented to me in various quarters that the Swiss make cotton cloths that approach nearer to those of Bengal than any other manufacturing country in Europe; and that the manufacturers of both Lancashire and Glasgow have declared they cannot furnish them of equal quality. I have of late noticed the export of India cotton-wool to the continent. The official report of last year is not yet made up, but from a printed statement which I have seen, and which I believe may be relied upon, made up to the 30th November, say for eleven months, the quantity of Indian cotton-wool exported is stated to have been 40,690 bales; and that used in the same period for home consumption 25,941 bales; so that the manufacturers on the continent use nearly twice the quantity of Indian cotton-wool that is consumed in Great Britain.

I have no statement of the countries to which the cotton-wool now alluded to was sent for last year, but on referring to the Inspector-General's Report for the four preceding years on this head, I noticed the Netherlands take off about a half or the whole in each year, and I am assured a great portion of it reaches Schaffhausen, and is manufactured in that neighbourhood. This I consider a matter of the last importance to have accurately ascertained; as if the superior quality of the Swiss fabrics arises from their using India cotton-wool, the whole difficulty is solved, and I beg with great deference to represent that this point seems of such vital importance to have well established, that, it appears to me, a skilful person who can be relied upon should be employed to visit Switzerland for that object.

The first impression on my mind regarding the superiority of India fabrics, (and which has been my chief reliance when assailed by very considerable opposition to my views on this subject), was, that *nature not art* occasioned their chief superiority over all others. Had it arisen from the latter, it is not possible that the natives of India could have kept the exclusive possession of that manufacture for a period exceeding the earliest profane history to this time. In fact, in fewer centuries than it has been thousands of years in their possession, it must have passed from them to other countries, and it would be painful in the extreme, as I have on a former occasion used the freedom to mention, if that immense and interesting people were to be deprived of their legitimate manufacture by the introduction of one of a spurious description, and fraught with much calamity to British India and this country.

I am respectfully, Sir, your most obedient servant,

Thomas Lack, Esq.
&c. &c. &c.

JAMES DUNSMURE.

20 Sept. 1831.

T. Langton, Esq.

equalled the territorial debt at that time; would you consider an official document, prepared from the records, sufficient authority to substantiate Mr. Melvill's assertion?—I should have no hesitation in admitting it. I beg leave to say, that perhaps I did not admit so distinctly that I had made an oversight as to the assets at the period referred to, as I did in speaking with regard to the second period. I stated, however, what I considered tended to show that Mr. Melvill had made more of the subject than there was in it.

4897. You have objected to Mr. Melvill's charge of interest upon the sums expended in the wars, and one of your grounds of objection is, that it accrues before the wars reached Bengal; do you not know that valuable territory was acquired at Madras by means of those wars, and how can you reconcile a charge of interest in the one case and not in the other?—One has been accustomed to speak of the acquisition of territory, and of the acquisition of the Dewannee, as having taken place at the same time. I am aware that they had some territory at Madras, but to what extent I do not know. That territory was, however, lost during the course of the war, and must be said to have been reconquered by this country, since it was recovered for them by the conditions of the peace.

4898. You said that the territorial branch got no advantage from the money spent in the acquisition of the territory; is not the trade to be considered as the agent by which the territory was acquired; and the object now being to ascertain what has been expended on the territorial distinct from the commercial account, should not the sum which trade, as the agent, expended in obtaining the territory, be stated as a charge incurred on the territorial account?—The whole of my argument has been to show that it ought not; and I cannot conceive that the territory could have derived any advantage from the £5,069,000, supposing that the event of the war had fallen out otherwise, and the Company had not become possessed of the country. Were I to judge from what has occurred in the other colonial possessions of this country, I should say the £5,069,000 would not have been exacted from India as a debt. There is no colony which has not cost the country much money, and I believe neither the Government nor the legislature contemplate its exaction from the colony in any case.

4899. Supposing the country which has been acquired to be a valuable acquisition, has this country been benefited by the expenditure of the five millions?—I dare say it has, and the Company too.

4900. You have expressed an opinion, that the increase of territorial assets in 1793, as compared with 1780, must have been very trifling; have you any foundation for that opinion, or for believing that Mr. Melvill overstated the amount when he said (4472) it was £2,161,329?—Upon a comparison of the assets from 1792-3 to 1808-9, I find the proportion of the cash and bills on hand to the whole of the assets has been from about one-fourth to one-eighth of the whole. In the three last years of that period it amounted

to

Office of Committee of Privy Council for Trade,
Whitehall, 26th July, 1828.

SIR :

The attention of this Committee has lately been called to the possibility of improving the culture, in the East Indies, of some articles which are now chiefly supplied by the United States of America particularly of cotton and tobacco.

It has been represented to their Lordships that the cotton of India is inferior to that of Carolina, not through any inferiority of the soil in which it is grown, but through a defective mode of cultivation, and it is thought that this deficiency might be supplied by a judicious application of skill and capital.

The same representation is made as to tobacco.

A slight encouragement is about to be extended to the cotton of India by the reduction of the import-duty upon cotton-wool from six per cent. on the value to 4*d.* per cwt. ; but if the Lords of this Committee are rightly informed, this encouragement will not be sufficient to occasion the necessary improvement of the cotton, unless measures be taken in India for applying skill and capital to the cultivation.

The peculiar system of administration which the Legislature has sanctioned for British India, forbidding Europeans to settle in the country, prevents the operation of the encouragement, ordinarily afforded by an extensive market and a favourable tariff. But my Lords conceive that it may be quite consistent with the maintenance of that system to extend facilities, liberal in their character, but limited in their extent, to British subjects who may be disposed to settle in the cotton districts, and whose character, property and knowledge qualify them for the object required.

Their Lordships apprehend that the important article of indigo has flourished under encouragement of this nature.

Under these impressions the Lords of this Committee direct me to request that you will move the Commissioners for the affairs of India to take these suggestions, as they regard both cotton and tobacco, into their consideration, and to communicate thereupon with the East-India Company.

The Court of Directors cannot fail to admit the importance of the object ; and it is hoped, that if they should not consider the suggestions of this Committee as pointing out the most advisable method, they will suggest some other mode of obtaining it.

I am to add, that their Lordships are desirous of receiving the fullest information which the Commissioners may be able to afford them, of the present state of the culture and trade of cotton and tobacco in the East-Indies.

I am, Sir, &c. &c.

George Bankes, Esq.
&c. &c. &c.

(Signed)

THOMAS LACK.

SIR :

No. 4, Pancras-lane, 6th September, 1828.

In consequence of the privilege you gave me to address you in the event of my having any thing further to offer for the consideration of their Lordships, relative to India cotton-wool, I am induced to trouble you with a few observations on this important subject, which I shall endeavour to make as concise as possible.

I do not know whether it is conceded that India cotton-wool is not only good, but is the best description which is produced from the Herbaceous plant, and that the produce of this

to as much as one third of the whole ; but I conceive that one-fourth of the whole is all that we can conceive to have been the addition. The remainder of the £2,161,329 assets had no right to come into the account at all, because the greatest part of them had been already paid for and entered in the charges. The different heads of assets are, cash and bills, stores, &c. When the stores are purchased, they are entered in the charges, and they must not be entered again in the increase of assets ; the same as to the advances for salt and opium. When those advances were first made, they must have been entered in the salt and opium accounts ; and therefore, if those were now to be reckoned in assets, as an addition to the application of funds in that account, they would be charged double. Of course, as no statement of the assets in 1780 is given, it must be mere guess work ; but I should think that one-fourth is all that ought to have been considered by me as increase of assets.

20 Sept. 1831.

T. Langton, Esq.

4901. You mean that you have not sufficient documents before you to show that there was an increase of assets to the extent of £2,100,000 ?—I said, that by a comparison of the total receipts and disbursements in the account at p. 256* of my evidence, some idea might be formed of it. It appears that the total receipt in the sixteen years was £79,662,000, and the total disbursement £75,930,000 ; so that of those assets I think it is fair to presume that upwards of £3,000,000 existed in 1780. What the exact amount was in 1792-3 I do not recollect ; it may have been what Mr. Melvill says ; but of that £2,100,000 a considerable part must have already been entered in the charges.

* Page 392.

4902. With respect to sums written off between 1780 and 1793, do you mean to say that they should not be included in the charges, supposing them to be of a territorial nature ?—I should think it would not be possible exactly to say whether they should or should not until one knew of what they consisted. Supposing they are of a territorial nature, I think it is still very possible that they had no right to come in. Mr. Melvill states one item which I should decidedly say had no right to come in. He says it will be seen that a considerable amount of debt from the Nabob remained for future adjustment. If that debt from the nabob was owing for money lent to him out of the revenues, it might be a proper thing to write off, but if it was only a sum which he was to pay by treaty, and which had never been received, it could not go out of the receipts.

4903. Is it to be understood that all sums of that nature written off, which you have omitted in your figured statement, are omissions to be supplied as Mr. Melvill has pointed out ?—With regard to the losses written off, I should entertain great doubts about it ; I think no opinion can be entertained as to the propriety of that sum, either in the period that is now spoken of, or in the period from 1792-3 to 1808-9, in my account, where I have introduced it, but with a strong impression that it ought not to be there. I think no opinion

this species is superior, and essentially differs in quality from that of the Shrub plant, which is alone cultivated in the Western world; but however this may be, I must take leave to state that this is my conviction, and has formed the chief feature in all my communications on this subject.

Under the impression that what I have now stated is admitted and assented to, it appears to me, to bring into general use by the manufacturers of this country the cotton-wool of India, in place of the present unhappy supply, is that which should occupy the consideration of my Lords of the Committee of Trade; and although the measure may be attended with considerable difficulty, I have no hesitation in stating, that with judicious arrangements, and a cordial co-operation by those whose immediate duty it is to give their aid therein, it may be brought about in a progressive manner.

As the manufacturers of cotton-wool in this country, however high their reputation may be for knowledge, have given very unequivocal proof that they are not well acquainted with the nature and qualities of the materials they use, I would recommend that an able and respectable botanist be employed to write a short and plain essay on the nature and qualities of the different species of cotton-plants which yield cotton-wools used in making fabrics, are cultivated, and that it should be issued amongst the manufacturing districts at a moderate price.

It appears to me also, that it would be highly expedient that the duty charged in the interior of India on cotton-wool by the East-India Company, which I am told is seven and a half per cent. *ad valorem*, should be wholly drawn back on exportation to Great Britain. At present I believe only 5 per cent. is allowed; and whatever drawback is allowed by the East-India Company should be levied on exportation from Great Britain, that the full advantage thereof may be secured to the country.

I would presume also to recommend again that India cotton fabrics be admitted into Great Britain upon the same duty (two and a half per cent.) that British are subject to when imported into India, as was stated in one of my former communications, when I urged a remission of the duty on the raw material.

But I would with great deference represent, that to procure as quickly as possible relief from this, as it appears to me, a great national calamity, the united exertions of the East-India Company and the private traders connected with India, with the Government of the country, is imperatively called for; and I have not a doubt, were such a desirable communication instituted, a plan would be speedily devised for a prompt check being given to the present lamented state of matters, which, if not soon counteracted, will lead to the most disastrous results.

Thomas Lack, Esq.
Board of Trade.

I have the honour, &c. &c.
(Signed) JAS. DUNSMURE.

SIR:

India Board, 16th October 1828.

In reference to your letter of the 26th of July last, I have received the directions of the Commissioners for the Affairs of India to transmit to you, for the information of the Lords of the Committee for Trade, the enclosed copy of a letter, which has been addressed by the President of this Board to the chairman and deputy chairman of the East-India Company, on the subject of the culture of cotton and tobacco in the East-Indies.

Thomas Lack, Esq.

I am, &c.
(Signed) G. BANKES.

20 Sept. 1831. can be formed upon it till it shall be explained from the India House what those losses were.

T. Langton, Esq.

4904. Supposing that money has been lent or has been expended for the Nabob of the Carnatic, then you allow it is a territorial debt?—Supposing that money has been expended for him in the course of the wars, I should say that that money had been already charged to the territory in the military charges of that period, and therefore if it is said you must pay us a million in reimbursement of those charges, and that sum is not afterwards received, yet that debt, though a loss to be written off, is no additional outgoing, because it has already gone once out of the account when it occurred in the military charges. There are other cases which may be conceived, actually of a territorial character, which would not have to come into such an account. For instance, suppose there are arrears of revenue which are deemed irrecoverable, and are therefore written off; as they have never been received, they could not be entered as outgoings.

4905. If any of those charges which were written off were distinctly territorial, ought they not to be placed against the territory as a charge?—I should say it is impossible to know that without knowing the nature of them, because there are some territorial charges which ought not to come in; as for instance, this very charge of the nabob, I think, in all probability, ought not to come in, because it was not an actual outlay, or if it was an outlay, it is probably already included in the military charges.

4906. Should you conceive that no sum should be written off as a territorial asset which had not been included in some previous account as a receipt from the territory?—I should think it ought not. In explanation of these answers relating to the “losses written off,” I beg leave to say, that my meaning is not that debts irrecoverable, and which have been entered on the books as assets, should not be written off, but that they should not be entered into accounts professing to give the receipts and the outgoings, as outgoings, such as in my account for the third period, and the estimate I presented for the second period.

4907. Have you not admitted, that by correcting the mistake into which you fell regarding the debt from 1780 to 1793, and by adding the year 1792-3, omitted in your Statement, there is £820,000 to be deducted from the sum with which you held commerce chargeable?—I have said so; but I must beg leave to remind the Committee, that when I first gave in that account, I stated it to be a mere estimate, for which I had very insufficient documents; and I was endeavouring this morning to correct that account according to the observations of Mr. Melvill, and according to that, I should certainly make out that there was a balance against the territory during that period; but still not nearly to the amount that Mr. Melvill does.

4908. As there was a serious territorial deficit in 1780-81, and as you have omitted that year also, would not the supply of that omission still further lessen the sum for which you consider commerce responsible?—No doubt it would.

GENTLEMEN :

India Board, 7th October, 1828.

I have considered with much attention the letter of Mr. Dart to Mr. Bankes, dated the 5th ultimo, respecting the culture of cotton and tobacco in the East-Indies.

I know you must be strongly impressed with a sense of the great importance of improving the cotton grown in the East-Indies, of extending thereby the export trade of the territories of the East-India Company, and of rendering this country independent of foreign nations for the raw material of one most considerable manufacture ; and I am therefore satisfied that you will give your favourable consideration to the suggestions I am about to offer to you on this subject.

It appears, undoubtedly, that measures have been taken at different times by the East-India Company, for introducing into India the culture of various sorts of foreign cotton ; and it seems that on one occasion a gentleman conversant with the cleaning of cotton in Georgia, was engaged by the East-India Company for the purpose of giving instructions in the use of the American machines for separating the wool of the cotton from its seeds, but that the attempts hitherto made for the improvement of the culture and management of cotton have not been successful.

It does not appear, however, that experiments have been made in many different parts of India, for the purpose of ascertaining whether, in some districts of that vast country, in which the cotton-plant is indigenous, it may not be possible to raise some of the superior sorts of foreign cotton. Experiments made in the botanical garden of Calcutta, where cotton-plants from different soils and climates are cultivated in the same soil, and in the same climate, must necessarily be productive of no satisfactory result.

I must therefore suggest to you the expediency of attempting, on a small scale, the cultivation of all the finer sorts of foreign cotton in different and distant parts of India, under every different circumstance of soil and climate, and of transmitting to England, cleaned in the American manner, and with every precaution to protect them from the weather, samples of the cotton so raised, for the purpose of comparison with the cottons of other countries.

As it is understood that the value of cotton depends very much upon the care with which it is cleaned, and on its being protected from the weather, it is deserving of your consideration whether it may not be advisable for the East-India Company to receive a portion of the land-tax in cotton, at a fair valuation, and to manage, on its own account, the cleaning of the cotton so raised, and its transport to the place of shipment.

Should it be found practicable to raise in India any of the superior sorts of cotton, it would be for the interest of the East-India Company to encourage the culture of such cotton, by taking it at a higher valuation in the payment of the land-tax.

I cannot entertain a doubt of the disposition of the East-India Company to permit the residence in the interior of India of British merchants, who may be willing to employ their knowledge and their capital in the culture of an article, of which the production, in any quantity, of a superior quality, would conduce in so great a degree to the interests not only of the East-India Company, but of this country.

I trust that you will persevere in your endeavours to produce a species of tobacco suitable to the British market.

I have the honour to be, &c.

(Signed) ELLENBOROUGH.

The Chairman and Deputy Chairman
of the East-India Company.

would. In the estimate I made this morning I have so included it. I have taken the deficiency in 1780-81 from the average of the three following years, which would reduce the net surplus; but the account of 1792-93 being taken in, in which there was a considerable surplus, that would have to be added.

20 Sept. 1831.

T. Langton, Esq.

4909. As there were no complete statements of the Company's affairs before Parliament for the whole of the period from 1780 to 1793, do you think that any conclusions can safely be drawn from statements prepared from other and unauthentic materials?—No; I certainly never thought that my account was one that could claim any such confidence.

4910. Did you make up your estimate from any unauthorized statements?—I took it from a compendium which was published in 1802. The documents were not printed at that time; and I stated in my evidence, that to have got the originals here in manuscript would have been a work of great difficulty and labour, and therefore, I took the compendium, which was published by an officer of the India House in 1802; and, so far as I have been able to compare the amount of the receipts and the disbursements contained in that compendium, and also in the Appendixes to the Second and Third Report, I found that they agreed, and therefore I concluded that the whole was correct.

4911. As far as you have been able to compare the statements since published with those in the compendium, have you found them correct?—Yes.

4912. Have the home charges been included in those statements?—The home charges were not to be found in the compendium, and therefore I had no other course to pursue but to take the average for the nearest years for which the accounts were given.

4913. With regard to interest upon the crore of rupees which was to be advanced to commerce annually under the Act of 1793, did not Mr. Melvill (4493) simply contend that interest should be charged for the whole period, and was it not solely in reference to your having made the charge partial that he submitted that in that view interest should accrue on the sum in which India failed to fulfil her engagement under the Act of 1793?—In my last examination I admitted that I thought interest ought also to be charged from 1781, because in the Act of the 21st Geo. III, which I was not aware of when I made my former remarks, I found that the Government was to partake in the commercial profits as well as in the surplus revenue from that period, and therefore I think interest ought to go from thence.

4914. Why do you stop at 1780?—Because from that period the whole of the commercial as well as the revenue surplus profits were taken from the Company, and claimed to be divided between the Government and the Company, and therefore it was no longer competent for the Company to dispose of the revenues, and appropriate them, after they had been restricted

No. 35.—AN ACCOUNT of the Quantity and Value of MILITARY STORES exported to India in the Year 1829-30; specifying the Average Rate of Freight per Ton at which they have been sent out, (from May to May.)

(In continuation of an Account, dated 9th June 1830, printed in Appendix to 2d Report on East-India Company's Affairs, p. 1202)

| | | | | | | QUANTITY. | VALUE. |
|---|----|----|----|----|-------------|-----------|---------|
| | | | | | | | £. |
| Accoutrements, viz. | | | | | | | |
| Bayonet Belts | .. | .. | .. | .. | Number | 7,136 | 4,094 |
| Pouch . ditto | .. | .. | .. | .. | ditto | 8,671 | |
| Waist . ditto | .. | .. | .. | .. | ditto | — | |
| Sword . ditto | .. | .. | .. | .. | ditto | 2,194 | |
| Various other ditto | .. | .. | .. | .. | ditto | 632 | |
| Sword Knots | .. | .. | .. | .. | ditto | 765 | |
| Lock Cases | .. | .. | .. | .. | ditto | — | |
| Sabre-taches | .. | .. | .. | .. | ditto | 10 | |
| Musket and Fusil Slings | .. | .. | .. | .. | ditto | 5,630 | |
| Drum and Fife Case ditto | .. | .. | .. | .. | ditto | 1,291 | |
| Canteen and Knapsack, &c. ditto | .. | .. | .. | .. | ditto | — | |
| Pouches | .. | .. | .. | .. | ditto | 44 | |
| Powder Horns and Flasks | .. | .. | .. | .. | ditto | — | |
| Carbine Buckets | .. | .. | .. | .. | ditto | — | |
| Pistol Frogs | .. | .. | .. | .. | ditto | — | |
| Cavalry Saddles and Bridles | .. | .. | .. | .. | ditto | — | 3,116 |
| Artillery Harness | .. | .. | .. | .. | Case | 1 | |
| Forge Bellows | .. | .. | .. | .. | Pairs | 13 | |
| Books, Parchment, &c. | .. | .. | .. | .. | Cases | 171 | 1,722 |
| Canvas | .. | .. | .. | .. | Bolts | 230 | |
| Vitry | .. | .. | .. | .. | ditto | — | |
| Buntin | .. | .. | .. | .. | Pieces | 467 | 926 |
| Rope | .. | .. | .. | .. | Tons | 2 | |
| Coals | .. | .. | .. | .. | Chaldrons | 390 | |
| Fire-Bricks, Cement, &c. | .. | .. | .. | .. | Num. & Tons | 18,381 | 536 |
| Lead, Sheet-Lead, &c. | .. | .. | .. | .. | Tons | 31 | |
| Mathematical and Musical Instruments, &c. &c. | .. | .. | .. | .. | Cases, &c. | 1,825 | |
| Manufactured Copper and Brass Articles | .. | .. | .. | .. | Packages | — | 1,617 |
| Copper Gunpowder Barrels | .. | .. | .. | .. | Number | — | |
| Copper Sheets, Hoops, &c. | .. | .. | .. | .. | Tons | 13 | |
| Oilmen's Stores, Painters' Colours, Sulphur, &c. | .. | .. | .. | .. | Packages | 674 | 974 |
| Muskets, Fusils, Carbines, Rifles, Pistols, &c. | .. | .. | .. | .. | Number | 1,440 | |
| Swords and Pikes | .. | .. | .. | .. | ditto | 2,834 | |
| Small-Arm Materials, Musket Furniture, &c. | .. | .. | .. | .. | Cases, &c. | 1,203 | 36,264 |
| Shot and Shells, Carcasses, &c. | .. | .. | .. | .. | Tons | 40 | |
| Iron and Brass Guns, Carronades, Iron Mortars, and Beds | .. | .. | .. | .. | Number | 107 | |
| Gun Carriage Iron-work, Ironmongery, Braziers, Tinware, &c. | .. | .. | .. | .. | Packages | 1,811 | 113,978 |
| Iron | .. | .. | .. | .. | Tons | 146 | |
| Glass | .. | .. | .. | .. | Cases, &c. | — | |
| Woollens, Stuffs, &c. | .. | .. | .. | .. | Pieces | 20,181 | 113,978 |
| Soldiers' Clothing | .. | .. | .. | .. | Cases, &c. | 165 | |
| | | | | | | £. | 192,410 |
| Average Rate of Freight per Ton | | | | | | £. | 3 1 1 |

Mem.—This Account does not include the Exports to St. Helena.

(Errors excepted.)

East-India House, }
14th March 1831. }

THOS. G. LLOYD,
Accountant General.

20 Sept. 1831.

T. Langton, Esq.

to their dividends solely. That was the ground upon which I suggested the interest account in the first instance.

4915. Then are the Committee to understand that you consider that the accounts of the East India Company ought to have been made up from 1780, in the form of debtor and creditor, the same as any merchant would have made up his accounts, as the public were, by Act of Parliament, to participate in the net surplus?—The Acts do not say anything about interest to be charged; but I think it would be fair that it should be charged.

4916. Do not the Acts direct the appropriation of a certain surplus?—They do.

4917. How would any surplus be ascertained unless the account of interest on both sides, as regards territory and commerce, were kept?—That is the way in which I suggested it.

4918. Why should you not go back to an earlier period?—Because in the earlier period the Government did not claim to participate in the commercial profits.

4919. Then you allow that the £400,000 which was derived from territory is not commercial but territorial?—I conceive it is part of the territorial surplus revenue.

4920. If you wish to make that account between territory and commerce correct, antecedently to 1780, would not you conceive yourself called upon to make a debtor and creditor account, as regards interest?—I do not know that I should. I think that the Acts of 1767 and 1769, and the subsequent ones, gave the Company full licence to take the surplus revenues and appropriate them to themselves, subject to the share they claimed out of them; therefore, provided the Company confined themselves to that surplus, I think they were not liable for interest upon it.

4921. In the Company's making out an account between commerce and territory, was it not equally incumbent that an account of interest should be kept, to enable them to make that distinction at the time as well as afterwards?—Perhaps it might; they could have no just view of the result of their concerns without it.

4922. Does not the Act of 1793 provide for the supply of the crore to the trade before mentioning the discharge of debt?—It does. The 107th clause provides, first, for the payment of those sums which would have to be paid if there had been no clause of appropriation; then it prescribes the crore to be paid, and after that it says, that if at any time the debt shall be reduced, either by payments in India, or by transfer to England of any part of the debt, the advance to commerce may be increased in proportion as the interest in India is reduced, if the Company's commerce require it; if it do not require it, then that any further surplus shall be applied in liquidation of the debt.

4923. Was not the debt to be discharged by bills upon England?—It leaves

THIRD REPORT
FROM THE
SELECT COMMITTEE
OF THE
HOUSE OF COMMONS,
APPOINTED TO
ENQUIRE INTO THE PRESENT STATE
OF THE
AFFAIRS OF THE EAST-INDIA COMPANY,
TOGETHER WITH THE
MINUTES OF EVIDENCE,
ACCOUNTS AND PAPERS LAID BEFORE THE COMMITTEE,
AND
AN INDEX.

LONDON:
PRINTED BY ORDER OF THE HONOURABLE COURT OF DIRECTORS,
BY J. L. COX AND SON, GREAT QUEEN STREET.

1832.

leaves it open that payments might also be made in liquidation of debt in India. 20 Sept. 1831.

T. Langton, Esq.

4924. Before there could be a discharge, was it not an indispensable prerequisite that the million sterling should have been paid?—The Legislature must have had some cause for making the separation; and I consider that though, in framing those two clauses, a view has always been had to the one in the provisions of the other, yet still that each clause ought to be fulfilled and obeyed in itself, so far as it can be.

4925. Do you think the Legislature would have made an enactment compelling the Company to pay such and such sums, the £500,000 to go to Government, and the remainder to be paid in other ways, unless they had supplied the means of so doing, by giving them this crore of rupees?—It is very possible that the profits of the Company, even without the crore of rupees, might have sufficed to do that, and the 111th clause does not allude to the crore, though no doubt the advance of it had been in contemplation when those payments were enacted; but there is a great distinction between the way in which the crore is mentioned, and the £500,000 to be paid into the Exchequer. Mr. Melvill considers that the territory was bound by law to yield the crore annually to commerce, but the fourth head of appropriation merely states, that the crore shall be advanced for investment; and in speaking of the £500,000 paid to Government, it says, that if in any year the whole of this shall not have been paid, in the following year, after the completion of that head of appropriation, any surplus shall be employed in paying up the deficiency that remained; and if at any future time there should be a surplus after paying up those appropriations, and all the deficiencies there may have been in the payment into the Exchequer, that then that surplus shall be applied also in liquidation of the debt; therefore it shows that there was an intention that that should be compulsory, but it says nothing of the kind with regard to the crore.

4926. Is not that always with the understanding that the prior clause is to be enforced?—The second head of appropriation in the 111th clause is, that £500,000 shall be applied in the reduction of Indian debt, but that clause does not make it compulsory, in case this has been omitted in any one year, to make it good in another.

4927. Does it not take it as a whole?—No, it distinctly makes a provision for any deficiency in the payment of the £500,000 into the Exchequer. But I beg leave to observe, that I neither wish to attach any value to my own opinions, nor do I think that much more ought to be attached to Mr. Melvill's, upon a disputed clause in an Act of Parliament.

4928. You were understood to object to the practice of bringing arrears of allowances into the account as debts before they are entered as charges; are you not aware that the Company's revenue and charge accounts comprise cash transactions only, and ought not the quick stock accounts to contain

20 Sept. 1831.

T. Langton, Esq.

contain all debts?—I conceive that if the accounts are kept as described by Mr. Melvill, upon the footing of double-entry, that wherever an amount is entered as a debt owing to a person, it must be entered on the other hand into the charges out of which that debt arises. It appears from his answer that the allowances are entered in as a debt, but not entered in as a charge; therefore it appears to me inconsistent with the assertion that they are kept by double-entry as merchants' accounts.

4929. Upon what principle do you consider that £1,709,824, which is the excess of floating debt, should be charged to commerce?—The difference is only £764,527. I have no other data to go upon in making the interest account but the annual increase or decrease of the debt. If the debt had been adjusted for every year, I might then have taken the exact increase or decrease; and if the Second Appendix to the Third Report is to be explained as I have now heard, that the allowances really are not entered as debts or as charges till they are actually paid, an adjustment may be required. It can only be made upon knowing in what manner each year is adjusted, because it is impossible to know in what year the actual payments have subsequently been made.

4930. Why is it put to commerce rather than to territory?—It is not put to commerce. I have explained in my first evidence, in answer 2912, the way in which I have made up the account. Mr. Melvill, in his evidence, objects to the system I have pursued, and says it is erroneous; and in my last examination I stated the reasons why I conceive that system perfectly applicable in this case. The reasons I assigned were, that though the principle I have followed would not be applicable in a mercantile concern, where there are many debts and credits arising, yet with the territory it appears to me to be perfectly applicable, because they have not many applications of their funds, except to the commerce and for government, and all the outgoings are regularly detailed; now, if all those are brought into account, I conceive there can be no other party which can have got the funds for which no account can be given, except the commerce. There may occasionally be occurrences where funds are applied, and which have not made their appearance in the accounts, and an adjustment might be required; but then no person can show it except the Company. I may suppose the instance of a cashier having made a defalcation, that of course would be an application of the funds for which commerce would not be answerable, and if such a thing happened, it would of course have to be placed to their credit.

4931. You have said that the difference is £764,527; is there not also a difference upon that account of £500,000 paid to government in participation of the revenues, which you have charged to commerce?—I have not charged it to commerce; I have left it out of the territorial account for adjustment, but I conceive that having been, in the third head of appropriation in the 111th clause, decidedly stated that it shall be paid out of the commercial surplus profit,

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profit, it ought to have gone out of that fund, and not to be charged out of the territory. 20 Sept. 1831.

4932. Have you any observation to make with respect to the third omission, namely, £520,799, being the amount paid in bills of exchange beyond that charge in the accounts, owing to the rate at which the bills were drawn being an excess of the rates at which the accounts were stated?—I gave in my former evidence an explanation of that likewise; that I have not introduced it into the account, because it did not appear to have been any specific payment, but I left it as a subject of adjustment, because the Third Report had already named it as such. If my original account were here, it would be seen that upon the back of it I have set down all those subjects which I conceive would require adjustment.

T. Langton, Esq.

4933. There is another item of £250,081, being the sum applied to St. Helena by the Board, in excess of remittances of that kind from St. Helena?—My answer to that is, that I think Mr. Melvill is wrong in supposing there is such an omission in my account. I have stated in my evidence in what manner I have entered the charges for St. Helena. In Appendix 51 to the Fourth Report, it is stated, that the charges or losses at St. Helena had been adjusted to the sum of £1,046,648; that was therefore the total charge of St. Helena, including every thing, but not specifying the manner in which it arose, nor do I find in the Report any account of the adjustment; but I have taken that as the basis, and allowed for the whole of that charge; the rest of the explanation will be seen in my former evidence.

4934. Have you taken into consideration the amount of increase of assets in St. Helena, and do you not know that they must have been to a great degree created by supplies which do not enter into the charges?—No, I have not made any allowance for increase of assets at St. Helena.

4935. You have stated that there might be adjustments; in what manner is the insurance account of the East-India Company brought into their accounts, and where are the losses debited that have occurred?—No insurance account has been published in the accounts.

4936. Have you made no allowance for any losses by sea or capture in any of those accounts?—I have not entered them in the account, but I have stated that the subject is one that might require adjustment.

4937. You appear to have in some cases charged to the territory, and in others omitted to charge to it what were termed doubtful items in 1811; are the Committee to understand that you have done this merely upon your own judgment?—Undoubtedly, only upon my own judgment; but I have stated those heads which I have omitted in the list of adjustments which had to be made, and I stated in my last evidence, that with respect to those items which I had included in the territorial account, I had a strong impression, not only that some of them required adjustment, being described as doubtful by the Select Committee, but I had doubts entirely with regard to some of them, namely, the losses written off.

4938. You

20 Sept. 1831.

—
T. Langton, Esq.

4938. You have expressed doubts as to the accuracy of the fact stated by Mr. Melvill, that the cost and charges of all the commercial consignments from Bencoolen have always been credited to the territory in the home accounts ; what further evidence do you require than that of the officer responsible for the correctness of what he asserts ?—I am not aware that any other authority would be required ; but I mentioned the circumstance, as one very extraordinary, that there were Directors upon the Select Committee who must have been aware of the circumstance, and that they should have allowed that remark to be made in the Third Report, and the account placed amongst the doubtful items, when the same explanation which Mr. Melvill now gives would have at once cleared up the matter, and caused that remark to be expunged ; and as no such steps appeared to have been taken by those Directors who were upon the Committee at that time, I thought it possible that Mr. Melvill might have been in error. I do not doubt his accuracy, but the most accurate man may commit errors.

4939. You referred to certain discrepancies between the account of the receipts and payments in England, dated at the India Board the 14th of January 1830, and an account of the transactions between the territorial and the commercial branches, dated at the India House, the 2d of June 1830 ; do you not know that those accounts differ in principle ; how then can you expect a precise accordance in detail ; and are you not aware that the accounts furnished by the Board, as stated by Mr. Leach last year, are prepared from the annual accounts of the Company, which are required to be made up quickly for Parliament, and that the Company's account of 2d of June 1830, contains all adjustments subsequently effected ?—I stated, when I mentioned those discrepancies, that I had no doubt they could be explained, but that, as the public have no means, and I may say, Members of the House, and even of the Committee, have no other means of judging of those matters than from the accounts published, if they do not afford the means of coming to any correct conclusions, they are very insufficient for the purpose for which they were intended. The discrepancies are such, that whether contained in the same account, or in different accounts, the items are at least the same ; and how the differences should occur is almost inexplicable ; why, for instance, a cast-iron bridge should be said in the one to have cost £4,000, and in another £5,000 odd, and various other items. Here is a list of the different receipts and payments, with the differences between them.

THIRD REPORT.

THE SELECT COMMITTEE appointed on the present state of the AFFAIRS of the EAST-INDIA COMPANY, and to inquire into the state of TRADE between *Great Britain*, the *East-Indies*, and *China*, and to report their Observations thereupon to the House : and who were empowered to report the MINUTES of EVIDENCE taken before them from time to time to the House, and to whom certain Petitions presented to the House in the present Session of Parliament were referred :—

HAVING considered the Matters referred to them, and having called for Evidence and Documents upon subjects connected with the Affairs of the East-India Company of much importance, have agreed that such Information should be reported to the House, without thinking it necessary at present to make any Observations thereupon.

11th October 1831.

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 769

COMPARISON of the several Heads of TERRITORIAL RECEIPTS and PAYMENTS in England, as contained in the General Statement, No. 21, of Papers dated India Board, 14th January 1830 (Parliamentary No. 22, of 1830), and in the Statement of Account between the Territorial and Commercial Branches, &c., dated India House, 2d June 1830 (Parliamentary No. 499, of 1830). 20 Sept. 1831.
T. Langton, Esq.

| R E C E I P T S. | | Statement from the India House. | General Statement from the India Board. |
|--|--------------|------------------------------------|---|
| | | £. | £. |
| 1. Of Government, on account of the claims of the Public. | *p. 33 | 103,223 | 103,223 |
| 2. Bills for supplies to public service in India, &c. } Gen. State ^t . | — } *33 } | 142,756 | 143,557 |
| Bills drawn in the Company's favour, for supplies furnished from territorial funds in India } | | | |
| 3. Net produce of bullion remitted from India Gen. State ^t . | — } *33 } | 324,015 | 324,107 |
| Net produce of bullion received per Stirling Castle, from Fort St. George .. } | | | |
| 4. Advances in India to owners of Company's ships } Gen. State ^t . | — | — | 37,481 |
| 5. Bills drawn by the Court on India .. Statement | *33 | 7,891 | — |
| 6. Net produce of spices sold in the year .. Statement | *33 | 154,521 | — |
| 7. Disbursement (deducted from the credits in p. 33* of Statement) in England and China, on account of the Public, included in the Company's claims upon Government in the territorial department } | *33 | 732,406 | — |
| | | 74,639 | |
| | | 657,767 | |
| | | 608,368 | |
| P A Y M E N T S. | | | |
| 8. Passage of Military and supplies on the voyage .. | †2 | 79,101 | 79,109 |
| 9. Interest, sinking fund, charges and repayment of loan from the Public in 1812 } | †2 | 244,044 | 244,044 |
| 10. Bills for cash received by the Indian governments } Gen. State ^t . | — } †2 } | 13,136 | 13,136 |
| Bills for effects of officers deceased } | | | |
| 11. Bills of exchange for interest of debt Gen. State ^t . | — } †32 } | 834,022 | 834,323 |
| Amount of payments actually made on account of bills of exchange drawn for interest on Indian debt, 1814-15. . } | | | |
| 12. Officers' pay on furlough and retirement. . Gen. State ^t . | — } †2 } | 283,301 | 283,993 |
| Officers' pay £147,609 } | | | |
| Off-reckoning funds 135,692 } | | | |
| 13. Political freight and demurrage Gen. State ^t . | — } †2 } | 51,081 | 72,610 |
| Political freight and demurrage, exclusive of amount charged on exports .. } | | | |
| Carried forward .. | £ | 1,504,685 | 1,527,215 |

* Appendix to Report of the Lord's Committee, p. 895.

† Ditto, p. 894.

‡ Ditto, p. 804.

20 Sept. 1831.

T. Langton, Esq.

| PAYMENTS—continued. | | Statement from the India House. | Statement from the India Board. |
|---|---------------------------|---------------------------------|---------------------------------|
| Brought forward .. | | £. 1,504,685 | 1,527,215 |
| 14. Political charges general .. | Gen. State ^t . | — | — |
| Political charges general, exclusive of advances recoverable in India | Statement. *2 | 283,316 | 266,842 |
| 15. Military and marine stores for export .. | Gen. State ^t . | — | — |
| Territorial stores exported from England to India .. | Statement *2 | 405,238 | 381,435 |
| 16. Charges Prince of Wales Island, exports provided .. | Gen. State ^t . | — | — |
| Territorial stores exported from England to Prince of Wales Island .. | Statement *2 | 21,704 | 6,790 |
| 17. Charges, Bencoolen, bills paid £3,741 .. | Gen. State ^t . | — | — |
| Ditto ditto .. exports provided 800 .. | — | — | — |
| Bills drawn from Bencoolen discharged in England .. £3,740 .. | Statement *2 | 8,662 | 4,581 |
| Territorial Stores exported to Bencoolen .. 4,762 .. | — | — | — |
| 18. Charges, St. Helena, bills paid £49,343 .. | Gen. State ^t . | — | — |
| Ditto ditto .. exports provided 29,663 .. | — | — | — |
| Bills drawn from St. Helena, discharged in England .. £44,146 .. | — | 148,678 | 79,006 |
| Sundry expenses on account of St. Helena .. 5,304 .. | — | — | — |
| Territorial stores exported from England to St. Helena .. 65,833 .. | Statement *2 | — | — |
| Ditto exported from China and the Cape of Good Hope to St. Helena .. 33,896 .. | — | — | — |
| 19. Carnatic debts, interest on claims .. £177,981 .. | Gen. State ^t . | — | — |
| Ditto, salaries and current charges .. 4,850 .. | Statement *2 | 180,930 | 189,831 |
| Carnatic fund .. | — | — | — |
| 20. Cast-iron bridge and steam-engine .. | Gen. State ^t . | — | — |
| Cast-iron bridge, &c. for the Nabob of Oude .. | Statement *2 | 5,744 | 4,629 |
| 21. Payments at China and the Cape to military officers, his Majesty's navy, &c. .. | Statement *2 | 15,713 | — |
| 22. Advances to public institutions, and repayable in India .. | Statement *2 | 30,390 | — |
| 23. Java prize agents, on account of property deposited in India .. | Gen. State ^t . | — | 166,250 |
| 24. On account of Government expeditions to Java, &c., and other services .. | Gen. State ^t . | — | 82,455 |
| 25. Bills from Amboyna, Batavia, &c., and charges on spices .. | Gen. State ^t . | — | 10,751 |
| | | £. 2,604,963 | 2,604,190 |

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4940. Does it appear that the accounts are made up precisely for the same period?—They profess to be for the same period. 20 Sept. 1831.

4941. Have not you found differences much greater in accounts after the lapse of a number of years?—My observation went to show, that the Board of Control is scarcely an efficient check. Now I will take one item. Here is political freight and demurrage, stated in the account from the Board of Control to be £72,610, for the year 1814-15; and then here is political freight and demurrage, exclusive of amount charged on exports, £51,081. It would appear, therefore, that the difference of £21,000 may have been a commercial charge; but the Board of Control appears to have been under the impression that the whole was a territorial charge, for it is enumerated amongst the territorial charges in that General Statement.

4942. Why does it follow that it is a commercial charge?—Because it is said in that statement made up at the India House, in which the territory is debited, that it is debited only £51,000 under that head; and it says, "exclusive of the amount charged on exports." I therefore suppose that the difference may be the amount excluded.

4943. Might not it just as easily be supposed that it was political exports?—Then I think it would have been debited to the territory in the Statement. It appears odd that the territory should only be debited with £51,000 now, after the adjustment at the India House.

4944. Are you not aware that the only accounts from which the Board of Control could make up those returns must be territorial, for that the Board has no control over the Company's commercial accounts?—I think, since the Act of 1813, they have also a control over the commercial concerns.

4945. You were understood to say, when speaking of the forbearance of the public towards the Company, that under the Act of the 21 Geo. III., three-fourths of the actual increase of the Company's assets should have gone into the coffers of the state; do you mean balance of assets, after deducting debts?—I mean the clear surplus profits, after making allowance for the £400,000, which is said to have been paid to Government; that ought to have been part of the share of Government.

4946. Then are the Committee to understand that the commercial capital amounted at the close of 1814 to £20,802,764?—So it is stated in the February Papers.

4947. Are you not aware that that is the gross amount?—I conceive, from the expressions here, that it is the net balance, after deducting all their debts, excepting the six millions of capital, and without reference to the home-bond debt.

4948. Then, if it should prove to be the gross capital, your computations, founded upon that, must be erroneous?—They would be, no doubt; but I think it is clearly the net assets, exclusive of the home-bond debt.

20 Sept. 1831.

T. Langton, Esq.

4949. In referring to the guarantee fund of twelve millions, proposed by the Act of 1793, and stating that the public were, previously to the Act of 1818, entitled to all beyond that, and consequently that Parliament made a present to the Company of the excess of commercial assets beyond that sum; do you not know that the guarantee fund must have been formed during the progress of the Company's affairs, and consequently that it must have been a security surplus to the capital employed in their trade?—My answer is, that the clause claiming the liquidation of any debt to the Exchequer, in consequence of omitted payments of the annual £500,000 from the assets of the Company, above £12,000,000, takes no notice of the guarantee fund; nor can, according to the Act, the guarantee fund be formed till after the debt has been reduced to £2,000,000 in India, and to £1,500,000 in England; but the debt, instead of being reduced, is increased, therefore there was no opportunity for the formation of the guarantee fund; but, if that period had arrived, any further surplus profit, after payment of the £500,000 into the Exchequer, was to be divided into sixths, one-sixth to go to the Company, and the other five-sixths to go to the formation of the guarantee fund.

Martis, 27^o die Septembris, 1831.

Sir JAMES MACDONALD, Bart. in the Chair.

JOHN SULLIVAN, Esq. again called in, and examined.

27 Sept. 1831.

J. Sullivan, Esq.

4950. ARE there any points upon which you wish to offer any explanation of your former evidence?—I was desired to state the amount of the original assessment of the province of Coimbatore, as determined by the survey, as well as the produce of the revenue, in the first year of the assessment. Upon referring to the accounts, I find that the assessment amounted to 38,56,588 rupees, this was the assessment upon the waste, as well as upon the occupied lands; the land occupied in that year, and liable to assessment, was 1,009,670 acres, which paid 21,17,554 rupees; the land now occupied, and liable to assessment, is 1,444,078 acres, paying an assessment of 21,58,649 rupees, so that the land in cultivation has increased 355,367 acres, whilst the amount of the assessment has increased only 74,488 rupees. The permanent reductions made upon the original survey assessment amount to 7,69,236 rupees. By the conversion of the dry lands into plantations and gardens, and lands of that description, an addition has been made to the assessment

MINUTES OF EVIDENCE.

12 July—6 October, 1831.

assessment of 2,86,786 rupees, which makes the present survey value of all the lands, occupied and waste, 33,74,088 rupees. I should explain that the tax upon the lands artificially irrigated is much lighter in proportion to the value of the produce, than the tax upon lands which depend for their produce upon the periodical rains, it is the interest of the ryots, therefore, to make this conversion. Under this stimulus, the garden cultivation in Coimbatore has increased since 1815, from 108,500 acres to 126,003 acres.

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J. Sullivan, Esq.

I was also asked, whether there was any regulation which made it imperative upon the collectors to issue pottahs to the ryots, and my answer was, that such a regulation was passed in 1802; I was then asked whether that regulation did not apply to the provinces under the permanent assessment, and my answer was that it did; I should have added, that I considered the ryotwar the only permanent assessment in the country, and that all the regulations enacted for introducing that assessment were strictly applied to ryotwar districts. I will take the liberty of reading the preamble to the regulation which introduced the permanent settlement into the Madras territories; it is No. 25, of 1802; the preamble to the regulation runs thus: "That it is known to the zemindars, *meerassadars*, *ryots*, and *cultivators* of land in the territory subject to the government of Fort St. George, that from the earliest until the present period of time, the public assessment of the land revenue has never been fixed, but that, according to the practice of the Asiatic governments, the assessment of the land revenue has fluctuated without any fixed principle for the determination of the amount, and without any security to the zemindars or other persons for the continuance of a moderate land-tax." It is then declared to be the intention of Government to insure the continuance of a moderate land-tax, by fixing an assessment on all lands liable to pay revenue to Government, and in consequence of such assessment to vest not only the zemindars, but all *other proprietors of land*, with the proprietary rights of the soil. The date of this regulation was in 1802, and it was in accordance with the principles laid down in it, that Sir Thomas Munro commenced in that year, to fix, in perpetuity, an assessment upon all the lands in the district then under his charge. He completed this work, subject to a revision which was then in progress, and made a report of it to the Madras Board of Revenue, on the 2d of August 1807. My object in reading this is to show that the great principle laid down was that there should be a permanent assessment fixed upon all the lands of the country, not merely that the country should be divided into large portions, and the property in the soil vested in persons constituted to be proprietors of it, but that wherever property was found, whether in large or small masses, there was to be a fixed assessment.

4951. By permanency as affixed to the ryotwar system do you mean a permanent maximum as established by Sir Thomas Munro?—The term "*permanent maximum*," as commonly used, appears to me to convey the idea of over-assessment. I was asked what was the amount of Sir Thomas Munro's

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Munro's assessment; it occurred to me from that question that there was an impression that Sir Thomas Munro had the power of raising and lowering the assessment of the country at his own discretion. It may be necessary, therefore, to explain that he possessed no such power, as, when employed in the administration of the revenue, he was then only a subordinate officer of the government, and as such he could only recommend an alteration, but he had no power of making it. By a permanent maximum it would seem to be understood that there is a weight of taxation always hanging over the ryot, which is let down upon him at pleasure; the rule however is, that he pays a fixed assessment upon his land, and the exception from this is, where from adverse circumstances he requires remission. In Coimbatore there are upwards of 100,000 ryots who pay a land-tax direct to government. Out of that large number there are many thousands every year who require some reduction; the rule, as I have already stated, is to pay the permanent maximum, but I should state this, however, with some qualifications. I believe that neither in India, or in any other country, is there anything like an unvarying revenue. The amount of revenue in India must always fluctuate with the seasons, and with the produce of the country, as the custom and excise revenue of England fluctuates with the trade and commerce of the country, and as the interest of money depends upon the state of public credit and of the funds. At this moment there are causes operating in India which seem to make the idea of an unvarying revenue more visionary than ever, for in the last eight or ten years India, from a state of war and convulsion, has sunk down into a state of perfect peace. The consequence is, that much of the land which was left untilld is now productive, and much of the produce of the country which was formerly destroyed is now coming into the market; this sudden increase in produce has produced a great fall in the prices all over India; there is also an immense drain of specie to the mother country, which is now operating very materially upon the revenue, inasmuch as the ryots now for the first time find some difficulty in obtaining specie to pay. I imagine, therefore, that we are further off from an immovable revenue than ever we were.

4952. To what extent should you state the depreciation in agricultural produce to have taken place in consequence of the general establishment of peace in the country?—I suppose it varies from 30 to 40 per cent in some cases, and it is still, I believe, going down. It is a singular circumstance, that there were two or three years of scarcity in the south of India before I left that country, and they were also years of very low prices. From a communication I had the other day, it appears that the ryots in the Bellary district have refused to pay their assessments in money, and have required the collector to take them in kind, even at a very considerable advance in taxation.

4953. On the other hand, with regard to certain necessities of life, such as salt and tobacco, have the prices of these increased or fallen?—There are all government monopolies, and they have increased enormously.

4954. Should

MINUTES OF EVIDENCE.

Martis, 12^o die Julii 1831.

SIR JAMES MACDONALD, Bart. in the Chair.

Captain THOMAS BLAIR called in, and examined.

2551. Are you in the Company's naval service?—I am.

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2552. What ship did you command?—The William Fairlie.

2553. Were you in Canton between November and December 1830?—*Captain T Blair*
Yes, I was.

2554. Did you arrive with the fleet at Whampoa?—We arrived in China, I think, on the 4th of August; my ship was detained at Hong Kong Bay until the arrival of the fleet, and we went up in divisions; I was the third arrival in China.

2555. Did the fleet go up as usual to the place of anchoring at Whampoa, or did they wait at Macao for any time?—I arrived on the 4th of August, and received orders from the Select Committee to proceed to Hong Kong Bay, stating as a reason, that the unhealthiness that prevailed in China at that season had induced them to keep the ships outside for a period, and I remained at Hong Kong Bay for about six weeks.

2556. Had you ever been at Canton before?—Frequently.

2557. Had you ever arrived during that month?—Yes.

2558. Were you ever ordered before to go to Hong Kong Bay?—No; we always proceeded into the river, as soon as we got our pilot, to the anchorage at Whampoa.

2559. Were you the first ship that was ordered to go to this bay?—There were two ships before me, the Duchess of Athol and the Thomas Coutts, that had arrived about a fortnight before me.

2560. Who was the senior officer of the three?—Captain Daniel, of the Duchess of Athol.

2561. Did you see the orders he received?—I had a letter from the Committee, which was in the same words as the order to him.

4954. Should you say that they have increased in as great a ratio as the prices of agricultural produce have fallen?—To the full, I should think.

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4955. What is the system of industry which is pursued; are any of those ryots daily labourers?—The great mass of them are in that condition; generally speaking all over India, the proprietor is the cultivator of his own farm.

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4956. What is the lowest order of agricultural labourers?—Coolies; the proprietary ryots all employ labourers in proportion to their farms, to whom they pay monthly wages.

4957. What is the rate of daily wages in India?—I think it is certainly under 3s. a month.

4958. What is the principal article of food?—In Coimbatore, the principal article of food consists of three articles, dewarry, bajary, and raggy, but very little rice is consumed, compared with those three grains.

4959. What is the state of their habitations?—They are much in the same state now that they have been from a remote antiquity; the walls are built of mud, and thatched with grass; they answer all the purposes of the climate. I have observed in many parts of Coimbatore great improvements in the habitations, tiles were substituted for thatch; the houses in the town are almost invariably tiled.

4960. Should you say that, generally speaking, the peasantry are in an improving condition?—In Coimbatore, decidedly.

4961. Do you mean Coimbatore, as compared with other parts of India?—Compared with other parts of India with which I am acquainted.

4962. Should you say that it is the case in other parts of India?—Not in all parts of India; not, for instance, in the district of Malabar, because there they are subject to the tobacco and salt monopolies; tobacco, in that province, from the humidity of the climate, is a necessary of life; they now pay two hundred and five rupees for a candy of tobacco, for which they used to pay only sixty rupees, before the establishment of the monopoly.

4963. Should you say that, generally speaking, they are contented with their condition?—The great mass of the people in Coimbatore, decidedly so. In Malabar and Canara, so far from being contented, I believe some of them are in a state approaching to open insurrection.

4964. Can you state the cause of that?—The principal cause I believe to be the monopoly of tobacco; another cause I conceive to be, the heavy expenses in the shape of stamps and fees in law proceedings in the courts of judicature. Altogether, I believe the taxation is heavier in Malabar and Canara, than it was under the native government, notwithstanding that a reduction has been made in the rate of the land-tax.

4965. Is the state of crime in Coimbatore more favourable than it is in other districts?—My impression is that there has been a great diminution of crime in Coimbatore; one of the most aggravated offences we have in Coimbatore,

12 July 1881.

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2562. What other ships joined you?—I think there were six or seven others arrived at various periods.

2563. How many had collected at that bay before you received orders to proceed to Whampoa?—As nearly as I can recollect I should think ten sail, and several others arrived at Lintin, which is the usual place of entering the river before we get pilots; but the Committee having come to the resolution of allowing the ships to go up, those ships were detained at Lintin, making altogether, with those which had previously arrived, sixteen or eighteen ships, till we who had first arrived had proceeded up the river.

2564. Upon what day in September did you receive orders to proceed to Whampoa?—I think the order we got was on the 14th of September, and I arrived on the morning of the 17th at Whampoa.

2565. Did all the ships go up?—The three first went, the others were desired not to leave till we three, who had been the first arrived, should proceed. I believe the reason that was given was that if the whole fleet went up together there might be confusion.

2566. Were any of the country ships directed to go to Lintin?—No, only the Company's regular ships.

2567. You know no other reason why you were directed to remain there, excepting the alleged sick state of Canton?—That was the only reason. We, the three captains, wrote a letter, requesting permission, in consequence of our own private investments, to proceed to Whampoa; it was stated, in consequence of the unhealthiness, that they had come to the resolution not to allow the ships to go up so soon, regretting they could not grant our request.

2568. How long did you remain at Whampoa?—I think I sailed for England on the 15th or 16th of November; I was one of the first despatched of the season; none of the Company's ships ever sail before that period.

2569. During the time you remained there, were you directed to send an armed boat with armed men up to Canton?—Yes, I was desired to send a boat, and I think six men, an officer, and a midshipman.

2570. Did the orders come to you, or through the senior officer?—The order I think came to myself; it is generally addressed to the commander of the ship. I think I must have been at Canton at the time I received the order.

2571. Who was the senior officer of the fleet?—Captain Innes, of the Abercrombie Robinson.

2572. What were the orders you received?—I forget how it was stated; but to send a small boat with six men, with muskets, bayonets, &c. and a certain quantity of ammunition, and an officer and midshipman to remain in the Company's factory.

2573. Did every ship in the fleet receive the same order?—Yes.

2574. How

27 Sept. 1831. *Coimbatoor* is from gangs of smugglers coming out of Malabar; ostensibly in search of tobacco, and plundering and burning houses, and sometimes murdering the inhabitants.
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4966. Are they dacoits?—They are not called dacoits, though their crime is in fact equivalent to that of dacoity; it is plunder and murder, and every species of atrocity.

4967. Have you had any late intelligence from Canara and the Mysore?—Yes, I have seen some letters upon the subject, and it was from these letters that I spoke when I said that the people in these provinces were almost in a state of insurrection, that is, that they were resisting the government demands, and alleging as a reason the oppressive state of the taxation.

4968. Has it not been necessary to employ the military?—So the letters I have received state, particularly, I believe, in the Mysore.

4969. Should you say that in Coimbatoor the peasantry are, generally speaking, docile and obedient?—Generally they are so; there is, however, a spirit of independence growing up amongst them. I saw a marked change in the character of the people during the fifteen years I was there, arising entirely from the fixed assessment upon their lands; they are no longer the yielding people that they were, they resist exactions much more than they did.

4970. What is their character as to industry?—I should think the peasantry are as industrious a people as are to be found in any country.

4971. What is the state of education in that particular district?—There is no public fund for education. There are generally schools in every village that are supported by the people themselves, for teaching the elements of the vernacular languages. There are four schools supported by the government in Coimbatoor, and I think the payments amounted to about three hundred rupees in the year. The population of the district is about 850,000, and the revenue is 2,700,000 rupees in a year.

4972. What is the extent of the country?—The area is 8,500 square miles.

4973. Can you form any conjecture what proportion of the population of that district would be able to read and write?—The proportion of the whole is, I imagine, very small indeed.

4974. Are the people anxious for education?—Very anxious indeed. I should say that one of the greatest boons which the Government could confer upon the people would be, having in every province in the country a large grammar school, and branch schools. That has been under contemplation, and it is partially effected; but the agency is so small in proportion to the population, that it cannot produce any beneficial result.

4975. If they are anxious for that, how comes it that they do not contribute more largely themselves to such a provision?—I have stated that there are already

2574. How many men proceeded then to Canton?—I should think at one time there were about 140 men. 12 July 1831.

2575. Did they receive orders to leave the ship at night, and be up before daylight at Canton?—Some threat of the Chinese, I believe, in the early part of the day, to the members of the factory, had induced them to send down a boat as soon as possible, but in consequence of the time that elapsed in getting there, I believe the men could not get away till nearly midnight, and they were all in the factory the next morning; such boats crews as were in Canton taking up the officers and captains, and so on, were detained and armed, and kept in the factory till the arrival of those boats that were ordered.

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2576. Where did those crews who were at Canton at the time the order was issued receive arms?—I believe there are some arms in the Company's factory.

2577. Were not your men also armed with cutlasses and pistols?—Yes.

2578. In fact, completely armed?—Yes.

2579. Were there any carronades?—There were two 32-pound carronades from the commodore's ship, with ammunition.

2580. Do you recollect the date of their arrival there?—I forget the date.

2581. How long did they remain at the factory?—Three weeks or a month.

2582. On the arrival, who took charge of those 140 men?—To every six there was an officer of one of the ships, and a midshipman; but there was generally appointed a captain of the day, and a captain at night, and after a little time one of the captains was constantly upon that service, and had charge of the men, and seeing after the provisions, &c.

2583. Were they exercised in the factory?—They were, they never went out of the factory.

2584. Do you recollect where the guns were drawn up?—Just inside the gate; there was no force whatever outside the gate.

2585. They could not be seen except the gates were opened?—Not except the gates were open; they might be seen on passing the gate.

2586. Do you know the cause of that dispute?—I believe there were several reasons stated; one was the arrival of ladies in the factory, and another the demand for those Parsees who were charged with the murder of Captain Mackenzie.

2587. You have mentioned that it had been stated Whampoa was unhealthy; did you on your coming up find that any peculiar prevalent disease had existed there?—No; not more than upon other occasions.

2588. Then of your own knowledge the season was not particularly unhealthy?—No; there was a kind of epidemic; there were a great number of men

already schools in every village in which the reading and writing their vernacular languages are taught. They are not, *in general*, in a state of such prosperity as to enable them to contribute very largely to establishments of that kind; the education given in the village schools does not exceed that of merely writing imperfectly, and reading a little of their own vernacular language.

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4976. When you stated that there are parts of the country in a state of insurrection, did they resist the payment of all taxes?—So the letters I have received state; of all description of taxes.

4977. What are the taxes of which they especially complain?—The tax upon tobacco, the tax upon salt, and the tax upon law proceedings.

4978. You mentioned a considerable fall in the price of the raw produce of the country, does that arise from a greater production, or does it arise also from the drain of specie to which you alluded, and the specie remaining becoming more valuable?—I should think both causes operate.

4979. To what do you attribute the drain of specie?—It is made, I believe, a principal medium of remittance to this country.

4980. Is it to be ascribed in any measure to the increased exports from that country to Europe?—I should suppose decidedly so.

4981. If that be so, are you not of opinion that if the products of India which may find a sale in this country could be considerably increased in quantity, and increased also in value, that injury to India would very much be remedied?—I should suppose it is the only way of remedying it.

4982. Are you not of opinion that a moderate permanent assessment would be one of the means by which that great object could be effected?—I think it is the foundation of all improvement. It is impossible to look for improvement in any way whatever, without a moderate assessment of the land; a moderate assessment would enable the people to accumulate capital, and that would be distributed in various channels of cultivation and of commerce, and eventually, of course, it will afford the means of indirect taxation.

4983. Should you conceive, that the permission to Europeans to hold land in India might be the means of considerably augmenting its prosperity, by introducing new modes of cultivation, and of preparing the different articles of the produce of India for the European market?—I should think so; in improving the articles for the market, and in affording to the ryots various means of improving their cultivation, and in introducing improved machinery for the irrigation of land, which might be introduced through the agency of Europeans.

4984. Do you not conceive, taking the Madras presidency generally, at least that part of it which is now subject to the ryotwar settlement, that under its present circumstances the maximum fixed by Sir Thomas Munro is considerably too high?—The assessment fixed by Sir Thomas Munro was only in five or six of the provinces of the Madras government, and it is

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men in the various ships sickly, but it was very slight, and in a few days the men were at their duty again.

2589. Was it any thing more than is very often the case in China, when a disease of that kind is general?—No.

2590. Do not you know that the principal cause of that dispute was the residence of Mrs. Baynes, the wife of the chief of the factory, at Canton?—I believe that was considered one of the principal reasons.

2591. Do you not know that one of the Hong merchants called at Mr. Baynes', and informed him that the governor of Canton was extremely desirous that the English lady should be removed?—I believe there were several communications requesting the English lady to remove.

2592. Were you in the habit of reading the Canton Register, when you were there?—Sometimes.

2593. Do you recollect seeing an account of the proceedings in the Canton Register?—There was a placard hung out at the Factory in consequence of the threat of the Chinese government of seizing the persons of British subjects, that they would find protection in the British Factory, where there was an armed force for the protection of British subjects.

2594. Do you refer to this passage, "We, the President and Select Committee, do hereby give public notice to all British residents in Canton, that in consequence of a threat of the Chinese government to send an armed force to the Factory, with the avowed purpose of seizing British subjects, a body of seamen will be retained in the Company's Factories for the protection of all British subjects who may feel desirous to resort to them: signed William Baynes, Charles Millett, J. Bannerman, J. N. Daniell, Canton, 20th October, 1830?"—That is the notice I referred to.

2595. Were you present at the remonstrance from the Select Committee being presented at Canton?—I went to the city gate.

2596. Do you recollect the date at which that occurred?—I do not recollect; I should think in the early part of September, or the middle of September.

2597. Do you recollect whilst you were there, about the 21st of September, seeing a proclamation posted up by the Chinese government in the different streets leading to the foreign factories?—I have heard frequently of placards in the Chinese language stuck up in various parts of Canton, vilifying the English Factory and the English residents, but the nature of those placards I am not able to state, but they were considered very offensive, and they were one of those things which caused the deputation to be sent to the city gate, to remonstrate against it.

2598. Were you one of the parties that made that remonstrance?—I was at the time of the remonstrance from the British Factory. There was also one from the British merchants, and another from the Dutch and Europeans generally, but each for themselves presented their own petition.

2599. What

27 Sept. 1831. infinitely lower than the assessment fixed in the permanently settled countries. I stated in my former evidence, that at this moment the proportion of the produce which the proprietors in Coimbatore pay as land-tax, does not, I believe, amount to much more than twenty per cent. The perpetual tax upon all the hereditary occupants of the soil, in every other part of the British dominions, amounts to between forty and fifty per cent. upon the gross produce of the soil, and that is a tax in perpetuity. That is the difference between the proprietors in the ryotwar district and the great mass of the people in every other part of the British dominions. The hereditary occupants of the soil, who are in fact the proprietors, where the tax is not so high as to absorb all proprietary right, now pay a share of the produce, sometimes as high as sixty per cent., and seldom below forty per cent. That is the tax upon them in perpetuity, and it obtains at this moment in all the Western Provinces of Bengal. It is a "*permanent maximum*" with a vengeance.

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4985. When you state the proportion of the gross produce taken from the ryots at twenty per cent., should you not confine that observation to Coimbatore?—To Coimbatore, and to Malabar, and in Canara, where I believe the land-tax does not absorb more than twenty per cent. In Bellary and Cuddapah, and other provinces where the assessment upon the land has been fixed at a moderate rate, the same results will, I am persuaded, be obtained in the course of eight or ten years, that have followed from a moderate land-tax in Coimbatore.

4986. Are not some of those provinces in a state of insurrection?—By the last accounts they were, but the alleged cause of that is, as I have stated, the salt and tobacco monopolies.

4987. When was the first assessment in Coimbatore fixed?—In 1802.

4988. Did it not vary in 1809?—It was entirely lost sight of in 1809.

4989. Do you not consider that that variation in 1809 was, in some measure, a breach of faith?—It was, no doubt, a breach of faith, through inadvertence to existing engagements. The natural consequence of a fixed assessment is to induce the ryots to lay out capital upon their lands; under this stimulus the individual proprietors in Coimbatore had expended considerable capital upon their lands from 1802 to 1809, when the government let out the public revenue of each village to contractors. There was no obligation upon those renters to observe the conditions of this fixed assessment. They were left at liberty to collect from the individual proprietors either a share of the produce in kind or a money-tax, which fluctuated with the different kinds of produce; either of these modes of collecting the revenue operated as a direct tax upon industry. In my view of the subject, therefore, the Government unintentionally broke faith with the ryots when they formed such contracts.

4990. Was the assessment they paid in 1809, under the village system, higher

2599. What took place?—One of the gentlemen of the Factory, I think Mr. Lindsay, presented the petition; there was a little show of resistance at first, to prevent our going in, but upon forcing our entrance rapidly, we got in, and the guards or troops ranged themselves on each side, and we remained there till a Mandarin of some rank arrived, who was the military officer of the city. 12 July 1831.
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2600. Were you within the inner gate when the remonstrance was delivered to the Mandarin?—No; between the two gates, and after the delivery, we walked quietly off.

2601. Did any thing pass before your delivering the papers?—Delivering them and explaining the various petitions, who they were from.

2602. Was this before or after the armed force had been ordered up to Canton?—It was long previous.

2603. Then you do not know what was the real cause of the force being ordered up, except that you heard there was a threat?—No.

2604. Were you on duty at any time during the time you were there?—It came to my turn, the day or the night-guard, once or twice; there was always a captain of the guard; there were sentries in various parts of the interior of the Factory, and over the guns, and so on; and there was a warehouse, or a barrack.

2605. Had you more guns than the two you brought up?—There were only two large carronades, and three or four brass guns from the Company's cutter.

2606. What orders had you?—The orders sent were to acquaint the chief if there was any appearance or likelihood of disturbance, and to prevent all Chinese, who had no business there, from coming into the Factory.

2607. Did Mrs. Baynes remain all this time in the Factory?—She did.

2608. You had an opportunity of seeing her of course?—Yes; she occasionally went out in the afternoon on the water.

2609. Did any deputation of the Mandarins come to the Factory during the time you were there?—I think the Hong merchants frequently came; I am not aware that there were any of the authorities amongst them.

2610. Did you stay there all the time that Mrs. Baynes stayed, or did you leave Mrs. Baynes there?—I left her there; but the force was withdrawn, I think, when I went down to join the ship just about being dispatched; the guns had arrived on board the Abercrombie Robinson, and the force was withdrawn upon the assurance that there should be no molestation if that took place.

2611. At what date did you leave Canton?—I think about the 12th or 13th of November.

2612. Were you present upon the 23d of October, when the answer of the government of Canton was received by the Supercargoes?—I cannot say.

2613. Do

higher than what has been paid since?—It was a rack-rent; it was the highest amount of revenue that had ever been drawn from the country. 27 Sept. 1831.

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4991. It appears that in the year 1815 there was a considerable increase in the land revenue derived from Coimbatore, over and above that which had been received under the village settlement, will you have the goodness to explain that?—That was in consequence of extensive frauds having prevailed in the settlement of the revenue for the four preceding years; lands which were liable to assessment having been illicitly concealed, were in 1815 brought to account; 1815 again was an extremely favourable year, the land in the occupation of the ryots had been very greatly extended, but still the settlement of the revenue was much higher than it ought to have been, and it was diminished in the succeeding year considerably.

4992. Was it diminished by any authority of Government, or only the authority of the collector?—It was diminished then by the collector, with the sanction of the Government.

4993. Do you conceive that after that diminution, any fixed permanent principle of revenue was established in Coimbatore?—It was a remission upon the permanent assessment.

4994. Does the high rate remain as a permanent settlement, subject to remission?—It remains as a permanent settlement, subject to remission.

4995. Does the actual revenue now derived actually amount to a fixed permanent settlement, or is it below that amount?—It is below the amount of the survey assessment. Land which is newly brought into cultivation is always held at a lower rent, it is given at one quarter the assessment the first year, and half the assessment the next year, and three quarters the third year; or sometimes it is ten years before it reaches the full assessment.

4996. Upon whom does that remission depend?—It depends upon the recommendation of the collector, subject to the sanction of Government.

4997. Are there any fixed rules upon that subject?—There are established rules. When the land has been in cultivation within ten or twenty years, the remission does not extend beyond the fourth or fifth year; but if a jungle is to be cleared, or the land has never been tilled, the ryots are permitted to possess it three or four years free of all assessment.

4998. Is there not a fixed assessment upon each field, in the ryotwar system?—There is.

4999. Is not the fixed assessment, to which you have alluded, higher upon the fields which have been for a long while in cultivation, than the payments which are actually made by the ryots on account of those fields?—In a great majority of instances, the ryots pay the full assessment upon their fields. That is the rule; the exception is remission, which takes place from a variety of circumstances, as remissions from rent are made in this country. I may state,

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that

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2613. Do you recollect seeing an answer from the government, stating the law of China respecting the residence of women; and that at different periods before, five or six disputes had taken place?—No.

2614. How long did you remain there after the force was withdrawn?—If I recollect right, I think the force came down about the period that I went to join my ship, but I am not perfectly certain, it may have been a week or ten days before.

2615. Did you, during the time you were there, see any intention manifested on the part of the Chinese government to use force in any way with the Factory?—No; large crowds of Chinese assembled around the Factories, idly looking on, I suppose attracted by knowing there were guns there, and the Chinese placed police without the Factories, to keep the crowd in order, to prevent any annoyance.

2616. From the day on which the armed force arrived in the Factory did not the governor of Canton immediately place police and patroles, in order to prevent any of the Chinese interfering with the Factory?—Yes; and they continued all the time that the force remained there.

2617. Were not those patroles also withdrawn as soon as the armed force was withdrawn?—They were withdrawn.

2618. Do you recollect the date at which Mr. Marjoribanks and Mr. Davis arrived at Macao?—I sailed on the 18th from Macao, and I think they arrived on the 24th.

2619. Then you are not acquainted with any thing that passed after the 18th of November?—No.

2620. Was the remonstrance you have mentioned the only one that was communicated to the Chinese during the time you staid there?—The only public petition.

2621. Were you present on the 30th of September at Canton?—Yes.

2622. Do you recollect the circumstance of Captain Mackenzie, of the Dutch ship *Vrow Eleanor*, being killed in a scuffle?—Yes; he was a British subject, commanding a ship under Dutch colours.

2623. Are you aware that three Parsees were charged with having stabbed Captain Mackenzie, mistaking him for some other person?—As far as I recollect the particulars, a man of the name of Bovie, who is a foreigner, residing in Canton, and the master of those Parsees, a man of the name of Framjee, were resident in the same Hong, that is, a number of buildings within the same wall, with one gate leading into the Factory, and another into the streets of Canton; this Mr. Bovie had taken upon himself to lock one of those doors; there had been some ill feeling between the Parsee merchant and him, and the Parsees wished to go out at the gate and found it locked, and Mr. Bovie had taken away the key. Considering that it was public, the Parsees immediately demanded the key, and were told that Mr. Bovie had it, and would not allow them to go out by the gate; they immediately,

27 Sept. 1831. that during the fifteen years I was in Coimbatore I believe there were not fifteen cases of distress for rent, and there never was an instance of a man being confined as a defaulter.

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5000. In speaking of the proprietary rights of the ryots in Coimbatore, do you mean that they cannot be deprived by the government of the occupancy of their lands, upon any pretext whatever?—Not legally; so long as they pay the fixed assessment, they are considered the proprietors of the land.

5001. Have they in practice been dispossessed of them?—There have been some instances. I received an account when I left Coimbatore, of some ryots upon the Nilgherry hills who had been dispossessed of their land, for the purpose of an experimental government farm being formed there.

5002. Were they forcibly dispossessed, or for valuable consideration?—Forcibly dispossessed, as I understood; the Governor took possession of their land, and one of them came to the Governor to complain, and I believe, in his anxiety to have his complaint redressed, he seized the bridle of the Governor's horse, for which he was handed over to the military police to be flogged. He had no redress but going to the courts; but as the courts are at a great distance, and as a law-suit is very expensive, they were in fact without redress at all.

5003. Is it to any considerable extent that those individuals have been dispossessed?—It was a tract of very fine land; I do not know the exact extent of it.

5004. What is the military police that you allude to?—A military police which was established at Ostacamud, in the Nilgherry, in 1828.

5005. Of what is the military police formed?—The commanding officer and the commissariat officers have the superintendence of the police; the alleged object of it was to prevent collision between the civil and military authorities.

5006. Were there any sepoy cantoned there at that time?—There were no sepoy when it was established. A company of sepoy were marched in when it was declared to be a military cantonment.

5007. What is the name of the military station?—Wotacamund.

5008. Is their jurisdiction confined to the spot where it is established?—No, it extends over a circle of nine miles, and comprises all the private houses, lands and gardens, comprehended within that circuit.

5009. Are all the inhabitants of those houses subject to that jurisdiction?—If military men, or attached to military men, they are liable to be punished by the police, and all classes are subject to the surveillance of that police.

5010. Does it exist in other parts of India?—It exists in the cantonments,
under

immediately, under the direction of their master, got crow-bars, and forced the gate; whilst they were in the act of doing this, Mr. Bovie came down with a drawn sword to make them desist, and he having the worst of it retreated to his house, calling murder: Captain Mackenzie hearing the cry of murder came down to assist; he was unarmed, but I believe he had an umbrella, or something in his hand. Mr. Bovie having made his retreat, and the Parsees being infuriated, I suppose, thinking he was coming to the assistance of the other, attacked him, and I think knocked his brains out with those crow-bars.

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2624. Did you know Mr. Sen Van Basel, the Provisional Netherlands Consul in China?—Yes; he was there at the time.

2625. Are you aware that an inquest was summoned immediately to inquire into the circumstances attending Mr. Mackenzie's death?—Yes, by his request.

2626. Were you upon the inquest?—No.

2627. Are you aware that it was composed of foreigners and Englishmen generally?—Yes.

2628. Did you know any of them?—Yes, several of them; there was a Mr. M'Vicar, who I think was foreman, he is a private merchant, and he has returned to this country.

2629. Do you recollect when they met?—I do not recollect the date, but I think they came to a verdict of justifiable homicide.

2630. In the Canton Gazette of the 2d of October, it was stated that the jury returned the following verdict, "that the death of Captain F. Mackenzie was caused by blows inflicted upon him by three Parsees, named Nowrojee, Framjee, and Jamsetjee (servants of Merwanjee Flormajee), in an affray which took place in the Dutch Hong, on the evening of the 30th ultimo."—I believe that is correct.

2631. What situation is Mr. Lindsay in?—He is one of the East-India Company's supercargoes. I think he was the only gentleman of the Factory present in Canton at the period; the Factory had not come up; they generally come up altogether, when the business of the season commences.

2632. Do you recollect whether the Netherlands consul applied to Mr. Lindsay to have those Parsees arrested immediately after the verdict was known?—The impression upon my mind is, that Mr. Lindsay arrested those Parsees for the purpose of protection from the Chinese authorities, as the Chinese authorities would have immediately laid hold of them. After the verdict, they were transmitted on board the commodore's ship at Whampoa, by order of Mr. Baynes, when he learned the particulars.

2633. Do you recollect whether any application was made by the Chinese authorities, to deliver up those men?—I understood that an application had been made to deliver them up for examination.

under a regulation of the Madras government, enacted for the purpose, of preventing drunkenness among the troops. The military police was made predominant over the military in those cantonments, in order to prevent the introduction of spirits, and the consumption of spirituous liquors for the use of the troops. 27 Sept. 1831.
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5011. Were the houses built by the individuals that occupied them, or by the government?—They were built by individuals, but the government appointed a committee, and summoned all the house-proprietors before it, desiring them to show by accounts what the houses had cost, and instructed the committee to assess a rent upon each house, but the inhabitants remonstrated against it, and I believe it was afterwards abandoned.

5012. Is there any law existing by which the local governments are empowered to form military stations?—There is the regulation I alluded to, which empowers them to place the troops and sepoys under the military police, but that was not applicable to a station which was made up of a collection of private houses and gardens.

5013. Do you conceive that the people of Coimbatore are equally taxed?—Certainly not equally taxed; I conceive that taxation falls too heavily upon the lower orders. There is a tax upon agricultural labourers which is an exceedingly objectionable tax, it is in fact a tax upon the landed proprietors, who in fact pay it.

5014. In what way would you remedy the inequality of taxation?—I proposed that there should be an income tax laid upon the higher orders, who are exempt altogether from taxation; many of the great capitalists, and the people employed largely in trade. A very good opportunity occurred of introducing such a tax in Coimbatore, in consequence of some great robberies in which persons of that description were the sufferers; they were assisted to recover their property by the police, and as they contributed nothing directly to the support of the police, or to the exigencies of government, I proposed to the government to take advantage of the opportunity of introducing a tax upon their incomes, but no notice was taken of the proposition.

5015. Are there considerable duties imposed upon the exports of the produce of Coimbatore into Malabar?—There is an additional tax of five per cent. on the difference of the tariff valuation between the two provinces. If the tariff valuation is fifty per cent. in Coimbatore, the transit duty amounts to five per cent., it is frequently fifty per cent. more in Malabar, and another five per cent. is levied upon the difference. The town of Coimbatore, which is the capital of the province, is not above fourteen miles from the Malabar country, all persons who have paid duty at the custom-house at Coimbatore, are liable to another duty upon entering Malabar.

5016. Do you conceive those custom stations to be very injurious to the general commerce of India?—Undoubtedly.

5017. To

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2634. Do you know whether it was complied with?—It was not; the Parsees were sent on board the commodore's ship till an opportunity occurred to send them to Bombay, and they were sent eventually to Bombay.

2635. Do you know what passed between the Select Committee and the Chinese government respecting them?—I understood that there were frequent demands made for the murderers, as they called them. The master of those Parsees, and Mr. Bovie, the other person implicated in the affair, were away from Canton for some time; but before I left they had returned, and were living unmolested at Canton.

2636. Were any measures taken by the Chinese after their demand to have those Parsees?—I believe no measures were taken; the country captain that was to convey the men was afraid that his ship might be stopped in going out, and one of the officers of the commodore's ship applied to me for an armed boat to protect them down to the ship; but the country captain being afraid of some detention on the part of the Chinese, did not wait at Whampoa, but went through the Bocca Tigris, and remained at Lintin. I am not aware that the Chinese took any steps; but he was afraid that there might be a disposition on the part of the Chinese to interfere.

2637. Do you recollect whether they were sent down after they were demanded by the Chinese government to have them delivered over for trial?—I imagine it was after; that demand was made by the Chinese immediately after the affair took place.

2638. Was it not after those Parsees had been sent away that you attended to present this remonstrance?—I think it was after Mr. Baynes arrived about that period, and it was not till after his arrival that the remonstrance was sent to the city gate.

2639. Do you recollect whether the notice that you mentioned was put up at the British Factory, was put up before the armed force arrived, or after?—I should think it was after, or on the day on which it arrived.

2640. Did you, during the time you were there, see the proclamation of the Chinese government respecting the residence of women in China?—I cannot say that I saw the proclamation; I heard of the frequent demands that women should be sent away.

2641. Did any interruption take place to your loading and unloading your ship during the time that this armed force was in Canton?—No; every thing went on as usual, without any interruption whatever.

2642. In short, the Chinese government did not interfere in any way with your mercantile transactions?—Not at all.

2643. Were the guns taken out of any ship, or were the guns in the Factory?—With the exception of two carronades from the commodore's ship, they belonged to the Company's cutter, and I think they were often in the Factory.

2644. Was

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5017. To whom did the land belong which is comprehended within the military cantonment you have mentioned?—It belongs to the ancient inhabitants of the hills, the Todawurs, a people who have been in possession of the land from the most remote antiquity. The government have rights of revenue over those lands, and no compensation whatever was given to those people. If the government had made compensation, those ancient proprietors would now be deriving a handsome landlord rent for the land, and have considerably increased the government revenue.

5018. What has become of the individuals so dispossessed of their land?—They have been driven to another part of the hills, entirely excluded from that part, which was a very favourite spot with them.

5019. Upon what plea was it that they were dispossessed?—It was first imagined that the government had the proprietary right in the soil, but in the course of investigation into the nature of the tenure there, it came to my knowledge that they were considered by all the other classes on the hills as the original proprietors of the soil. I should explain that the Todawurs are a pastoral tribe, who subsist entirely by the produce of large herds of buffaloes; all the agricultural classes consider that they hold their lands of them as proprietors, and as such pay them a share of the produce. I stated this to the government, and strongly recommended that they should receive compensation as proprietors; my views, however, were not taken up, and the proprietors have received no compensation to this day. From the salubrity of the climate, the fertility of the soil, and the abundant supplies of water which the Nilgherries possess, this promises to become a place of great resort to Europeans, and in process of time the native proprietors are likely to lose the whole of the lands. It has, indeed, been proposed, I believe, by the government of Madras, that farmers should be sent from this country to cultivate those lands.

5020. For what purpose was this farm of the Company established?—The farm was established for agricultural experiments, the houses alluded to were built for the accommodation of invalids resorting there for the benefit of their health; the government advanced loans to gentlemen, repayable upon certain conditions, and at certain periods; after the houses had been built, the government turned this station into a military cantonment, and then claimed a right to fix the rent of all the houses in it; the proprietors were in consequence called upon to state the cost of the houses, and the committee proceeded to fix the rent; but a remonstrance was made against it, and the government, I believe, withdrew the order.

5021. In the memorandum relative to the commercial resources of Coimbatour, which has been produced by you, mention is made of a plan for opening an inland communication between the provinces of Malabar and Coimbatour; did you make any proposition to the government upon that subject?—I stated the grounds upon which it appeared to me that such a plan was feasible; I pointed out its advantages, and suggested that an experienced

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2644. Was not the trade interrupted at all?—Four ships sailed in company when we left: it is customary on leaving to get a grand chop or port-clearance; two of the ships, the *Dunira* and the *Duchess of Athol* had not got their port-clearances, but that was not from any general disturbance with the Chinese government, but they had a quarrel or dispute with one of the security merchants about duties; and by way of compelling them to pay those duties they stopped the ships, which they secured, that is to say, they would not give them their clearances; and Mr. Baynes upon this desired those two ships to sail without the usual clearance. I was one of the ships that had a pilot on board, and, as having a clearance, I was desired to lead the ships, and in passing all the various forts they fired a blank gun, but not shotted; each of the ships also fired a blank gun as the forts did.

2645. You mean the forts at the *Bocca Tigris*?—Yes; every fort fired one gun, and also the war-junks.

2646. Is not it the rule at Canton that no pilot can go on board unless they have got a port-clearance?—It is.

2647. Was there any other interruption during the time you were there?—Not at all.

2648. Is there any description of military force at Canton?—There is a very considerable Chinese force. I believe the only opportunity I had of seeing a Chinese force collected was at a fire which occurred at Canton, and to keep peace and prevent robbery there were 400 or 500 troops sent out, and encamped before the factories for a considerable time.

2649. Was any part of this military force brought out upon the occasion you have referred to?—No.

2650. What was the name of the captain that was in command of the seamen in the *Factory*?—Captain Baylis, of the *Canning*.

2651. Were you in the habit of communicating personally with some of the principal Chinese?—With the Hong merchants.

2652. What do you conceive were the impressions made upon the Chinese authorities generally, by a large party of troops having been called in to protect the *Factory*?—The Hong merchants seemed very much annoyed by the government putting them to so much trouble, but they seemed to talk of it lightly.

2653. Did they seem to think it was a necessary thing, or an unnecessary thing?—They seemed to say that the threat of the governor was a mere piece of bravado; and, to use their own words, they said that both parties were too much hot inside.

2654. Which do you conceive was the principal cause of the threats of the Chinese that led to an armed force being sent up to the *Factory*, the residence of Mrs. Baynes, or the protection given to the persons that murdered Mr. Mackenzie?—My own opinion is, that the principal cause was the demand

perienced engineer should be deputed to examine it, and to investigate the resources of the province generally, both for irrigation and for canal communication, but no notice was taken of that suggestion.

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5022. When did you make that recommendation?—In 1829.

5023. Would it have required a large outlay of capital?—It would have involved a good deal of capital, but nothing commensurate with the advantages of the work.

5024. Do you consider the commerce of the country sufficiently large to afford an adequate return for capital laid out there in works of that kind?—Decidedly so; this plan combined irrigation with internal communication.

5025. How is that communication carried on at present?—Either upon bullocks or upon two-wheeled carts, which is enormously expensive, and very often very tedious.

5026. Are they employed in large numbers?—In very considerable numbers. To show the extent of commerce in India, it may be sufficient that the collection of the public revenue generally begins in October and ends in June; there are then three or four months cessation in the collections, and in October they begin again. A large portion of the revenue so collected is in the first instance withdrawn from circulation, by being locked up for some weeks or months, as the case may be, in the provincial treasuries; it is then often remitted in large sums and in specie, sometimes to the extent of half the revenue of the province, to the presidency, at the distance of three or four hundred miles. It requires that the specie should be back again to enable the collections to recommence at the season fixed, which is in October, and it can only come through the different channels of commerce. This shows at once the wonderful elasticity of the commerce of the country. The traffic would be considerably increased if a communication was opened by water to the ports of the western coast. I have stated that cotton is now carried by land carriage three or four hundred miles; it would find its way to the western coast by a water communication, if one was opened; that is a point of particular importance, because at the late sale at the India-House, cotton, the produce of Coimbatore, was considered equal to any cotton brought from America. That kind of cotton could be grown to any extent in Coimbatore; cotton, as being one of the most valuable articles, would supercede the poorer kinds of grain in the richer lands, and fresh soil would be broken up for the cultivation of those grains.

5027. What is the distance of Coimbatore from the Malabar coast?—About ninety miles in a direct line. I allude to the Poonaney river. The plan which was in contemplation was to cut a canal from a place called Animally to Tertulla, where the Poonaney river becomes navigable. The cultivation of the silkworm would probably be extended in Coimbatore, and sugar would probably be an article of export.

5028. Might

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demand for the murderers to be given up, it being agreeable to the laws of China that they should take cognizance of any thing of that kind occurring.

2655. Is it not your impression and belief that the chief, if not the sole cause of the threat of the Chinese government to seize British subjects living in the British Factory, under the protection of the British flag, was, if they would not deliver up the Parsees?—My opinion is, that it was the principal cause; though, as I stated before, I heard it said that the ladies being in the Factory was also one of the causes; but my own opinion is that that was the chief cause.

2656. Are you aware whether the inquest on the death of Captain Mackenzie pronounced it to be murder, or justifiable homicide?—I think, in speaking to the foreman, Mr. M·Vicar, his opinion was that it was justifiable homicide.

2657. Did the Chinese demand those Parsees by name to be given up, or did they generally demand the murderers of Captain Mackenzie?—They demanded the murderers of Captain Mackenzie; I understood they wished them to be given up that they might enquire into the circumstances.

2658. Is it not your opinion that if the Parsees had been given up agreeably to that demand, it would have amounted to an acknowledgment that they were the murderers of Captain Mackenzie?—I think, from former experience, that would be inferred.

2659. And that accordingly they would have been executed?—I imagine there is not a doubt of it, as in the case of the American upon a former occasion.

2660. Are you aware whether the Chinese government has made any reduction in their port-charges during the last year, as compared with former years?—There has been a reduction to some extent, perhaps 600 or 700 dollars upon each ship, but I think that arose out of demands made in the former season, when the fleet was detained outside, and not in consequence of any thing that occurred in the last season; and I rather think the compradores, the men that supply our ships with provisions, have the benefit of that, for they charge us the same as formerly, and therefore I think those reductions have been in favour of the Chinese.

2661. Are you aware whether the alteration made has not been to charge a different rate on different sized ships according to the measurement?—I am not aware whether there is any reduction on the measurement.

2662. During the time that that armed force was at Canton were any orders issued to the compradores, or was there any interference whatever with the usual mode of carrying on business?—None at all.

2663. Was this alleged to be the first instance of any European lady residing in the Factory?—I think I have heard of instances many years ago.

2664. In what light is it considered objectionable to their prejudices?—
That

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5028. Might not cotton so sent to the Malabar coast be taken on board the ships going from Bombay to China?—With great advantage.

5029. In what month do they begin to gather the cotton?—Some of the cottons they begin to gather as early as February, others in March and April.

5030. Would not that admit of its being sent on board the ships in March?—At the end of March and the beginning of April.

5031. You also spoke of a rail-road; is there any probability of a rail-road being made there?—Iron is remarkably cheap in Coimbatore, and so is fuel and labour; and therefore, though I do not think that a continuous line of rail-road would answer, yet in places where there is any natural obstacle to the execution of a canal, one canal might be connected with another by means of occasional rail-roads.

5032. Do you think the trade would be sufficient to pay for such an undertaking?—I should think it would amply pay, as tolls might be levied.

5033. Is there any machinery now employed in the fabrication of iron in the Madras territory?—Machinery has been introduced within the last few years by a Mr. Heath, a gentleman of great enterprise; I believe he has the exclusive privilege of manufacturing iron till the end of the charter.

5034. Is he able to produce iron to enter into competition with the English iron?—That remains to be proved; he has gone out upon that speculation.

5035. Is the quality of the iron equal or superior to the iron of this country?—It is, I believe, very superior to any iron in this country, and even to Swedish. I understand that some good cutlery made here from some iron that Mr. Heath sent home, was considerably superior to any manufactured from Swedish iron.

5036. Were the canals mentioned by you, and the dams and other works to which you have alluded, constructed by the natives or by the government?—Chiefly by the native governments, and by individual natives living under the native governments.

5037. Have any been lately constructed by the government?—Some old ones have been lengthened, but nothing more.

5038. In a country where labour is so remarkably cheap, of course the expense of a work of that sort must be proportionably so?—It is.

5039. Have any advances been made from the public treasury to assist in the construction of such works?—The works are usually made at the public expense, entirely with money advanced from the public treasury.

5040. Do you think a private capital might be so employed with advantage?—I think it might be, with very great advantage.

5041. Have any bridges been made by the government in Coimbatore?—

A few

That it was not customary; I believe the principal cause was, that it collected crowds of Chinese together to look, and it might occasion some misunderstanding between them and Europeans.

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2665. Are there not several British subjects in Canton not connected with the Company?—Yes.

2666. Are you of your own knowledge aware of their being exposed to any particular oppressions or restrictions from the Chinese government, either in their persons or their trade?—Not at all.

2667. Are you aware of a petition sent by those British subjects to England, complaining of certain extortions, and petitioning for redress?—I have heard of it.

2668. In general do you believe that the allegations of the petition are well founded as to extortions practised upon them by the officers of the Chinese government, and the difficulties thrown in the way of their trade, and as to perpetual insults which they received from the authorities?—I am not aware of any except the placards stuck up about the streets.

2669. Have you ever received any insult from any of the public authorities?—Never.

2670. Did you ever see any insult offered?—Never.

2671. Have you not been at Canton while the ships companies were there, and seen rows take place there?—I have seldom seen rows there; we send very few men up at a time.

2672. Have you been to several other ports in India?—I have.

2673. In considering the conveniences for loading and unloading, and clearing and carrying on the business of the ship, have you found more trouble and annoyance at Canton than you did at Calcutta, or Madras and Bombay?—I should think less than in almost any port I have ever been at.

2674. Is there not more facility afforded in Canton to foreign trade than in any other port you have ever been in?—I think so; the fact is, that the customs and duties are regulated between the Chinese merchant and the government, and that keeps us from going into any collision with them.

2675. Have you not very near your ship the custom-house boats regularly moored?—There is the police of the river, but they do not interfere, except there is any irregularity going on, and then they report it to the government, and we hear of it through one of the security-merchants.

2676. What was the general impression among Europeans at Canton respecting the expediency of ordering up an armed force to the British Factory at that period?—There were various opinions; some said it was nonsense, and others thought it was a very proper precaution; I have heard very different opinions upon the subject.

2677. Are you aware that an American captain carried his wife lately to Canton?—There were one or two American ladies there at the time I was there,

A few small bridges have been constructed by government. There have been two most magnificent bridges constructed by a native within the Coimbatore province; they are bridges across the river Cavary; one was finished ten years ago, the other will be finished in the course of the present year.

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5042. What was the object in constructing it?—His object was very disinterested, merely that his name might descend to posterity as a great public benefactor; all the remuneration he has got is a grant of the revenue arising from a single village, which I think amounts to about 5,000 rupees a year, which has been given to him for the purpose of maintaining the bridge in repair.

5043. Have you any idea what has been the sum laid out by him?—I have not seen any account of the expense, but a bridge, smaller in dimensions, across the Cavary, at Seringapatam, cost 80,000 pagodas, about £30,000.

5044. What is the name of the individual?—He is a native gentleman of Mysore, named Ram Sammy Moodeliar. These bridges originated in a proposition made by Ram Sammy Moodeliar, to render the passage to an island situated in the midst of the river Cavary, which is regarded as a place of sanctity, both by the Hindoos and Mussulmans, and which is also much frequented by Europeans who go to visit the falls on that river, secure for foot passengers in all seasons. He proposed to the government to make a small wooden bridge across, if they would make him a free gift of the island itself, which was covered with jungle, and a place of no value. They complied with this offer, but instead of building a small wooden bridge, he built a magnificent stone bridge a thousand feet long, with a roadway of thirteen feet. Upon its completion I inspected the work, and I told the government that as he had shewn himself capable of constructing works of that kind, the government should lend him a sum of money, in order to enable him to build another bridge, and thereby complete the communication across the river, and that he should have permission to levy tolls upon the bridge for a certain number of years, and that upon its completion, the government should assign the revenue of a village for the support of both bridges. The government, however, did not come into the proposition; but in 1829, the individual began, at his own risk, the second bridge, the size of which is 1,550 feet long and fourteen broad. Both the bridges are built upon stone pillars let into the rock which forms the bed of the river, and the pillars are connected by cross-beams across the pillars, entirely of stone; they have no pretension to architectural beauty, but are composed of the most substantial materials.

5045. Is that individual a person of very great wealth?—He was supposed to possess considerable property, but he must have sunk a great part of it in those works.

5046. How did he become possessed of this large fund?—By trade, by commercial speculations.

5047. Of what description?—I cannot speak from my own knowledge,

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there, and when I left, their trade was stopped upon that account; and I recollect that one of the gentlemen said that they were advised to persevere in keeping them there; that the thing would soon be considered a custom.

2678. Were they there during the time that Mrs. Baynes was in the English Factory?—She was in the Factory at the time they came, but I think they did not come till after the occurrence which I have mentioned.

2679. Do you know whether the Chinese government interrupted the trade with the American ships, and did not interrupt it with the British?—I recollect the Americans saying that they had pointed out to the Chinese that Mrs. Baynes was allowed to remain, and why should their women go away; and they said English ladies remaining was one thing, and the American ladies was another; that they could not remain; but the ladies were there when I left.

Capt. J. Innes

Captain JOHN INNES called in, and examined.

2680. WERE you at Canton between the months of August and December 1830?—I was.

2681. What ship did you command?—I commanded the Honourable Company's ship the Abercrombie Robinson.

2682. Were you the senior officer?—I was the senior officer of the season.

2683. When did you arrive at Macao?—The 1st of September.

2684. Did you proceed to Whampoa with your ship as usual?—No; I had directions from the Select Committee to anchor my ship in a bay at a distance from Whampoa, the usual anchorage.

2685. What distance?—Perhaps 150 miles north-east.

2686. Is there any port there?—There is a Chinese town in the vicinity.

2687. What was the nature of the instructions you received?—I cannot charge my recollection in the name of the charge, but to anchor in that bay till further orders.

2688. Was any reason assigned why it should remain there?—None whatever.

2689. How many ships afterwards joined you?—I received orders from the Committee, I think, after the 5th of September to direct all ships that came in after that period to go up to the usual anchorage, Lintin.

2690. How many were in the bay with you?—From seven to ten.

2691. All regular ships?—All regular ships.

2692. How long did you lie in that bay?—From eight to ten days.

2693. Where did you then proceed to?—We proceeded then to Whampoa.

2694. Were any reasons assigned why you should not proceed to Whampoa direct?—No reasons; I merely received an order, which I deemed myself bound to obey.

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but I believe his principal trade was in jewels and shawls, and articles of European manufacture.

5048. Is the country much benefited by those bridges?—It is very much benefited. The only communication across the Cavary before was by basket boats, which was often very dangerous; the consequence was, that the trade was often arrested upon the banks several days. It is not only useful for trade but for military purposes.

5049. Do you conceive that this public spirited individual has received sufficient encouragement and remuneration from the government?—All that he has received is what I have stated, which is about 5,000 rupees a year for maintaining the bridge in repair, for which purpose it is hardly sufficient.

5050. Can you point out any one way in which private capital may be profitably employed in Coimbatore, or the Southern Peninsula?—Considerable sums are sunk now in Coimbatore, in searching for wells for irrigation; I should think that boring apparatus might be introduced there with very great advantage. The natives, after excavating to a considerable depth for water, come perhaps to an impenetrable rock, and of course a great deal of capital is lost in that way. I should think, therefore, that some capital might be very profitably employed in boring machines, and in some simple machinery for drawing up water.

5051. You stated that you had formerly been attached to the residency of Mysore, will you state what is your opinion of the situation of the natives in that country, compared with those in the Company's territories?—I should say that the situation of the natives of a superior class is, upon the whole, much better in Mysore than in the Company's territories, because there the whole civil and military administration rests with them, instead of being vested in Europeans. Instead of having a master in every European, they have only one master, who is their prince; but the lower orders of natives are not by any means so well off under the native government of Mysore at present, because it is a most oppressive government. The higher class of natives are not absolutely better paid under the native government, but they have various perquisites, and they get gratuities and remunerations from their prince in various ways, which they do not receive under the British government; they are liable, of course, to be stripped of their offices by the bidding of the prince.

5052. Are the native servants in the Company's employ liable to be dismissed at the will of their European superiors?—In the revenue department they are liable to be removed from their office; and I think, long as we refuse to accord to them a fair share of the government, and so ingratiate them, it is a sort of power that cannot be dispensed with, because the higher classes of natives now have no interest in a pure and upright administration.

5053. What would, in your opinion, be the result, in a financial point of view, of the substitution to a considerable extent of native for European

2695. Then between your first arrival in China, and your arrival at Whampoa, how many days elapsed?—I think fifteen; the distance between Lintin and Whampoa, where the pilot takes charge, is fifty or sixty miles, and it is frequently a tedious navigation.

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2696. Did you apply to the Select Committee for leave to proceed, or send up your investment?—I did not.

2697. Did any others?—Not that I am aware of.

2698. During the time you were at Whampoa did you receive any orders from the Select Committee to send up an armed force to Canton?—I did receive such orders. I was not prepared for this investigation, otherwise I would have brought my memorandums with me.

2699. Were you at Whampoa, or at Canton, when you received the orders?—I was at Canton.

2700. Do you recollect the nature of the orders?—The nature of the orders was to send up an armed force to protect persons and property in the Company's Factory.

2701. Did you obey that order?—Implicitly.

2702. What force did you send up?—To the best of my recollection, from 130 to 150 men, fully armed, with muskets, pistols, and cartridges.

2703. How many guns did you send up?—I sent up two 32-pounders.

2704. How long did they remain in Canton?—From eight to ten days.

2705. Were they under your command during the time they stayed there?—They were.

2706. Were they confined within the Factory?—By my orders they were.

2707. And they regularly remained within the Factory?—They did.

2708. Did you see any demonstrations on the part of the Chinese of any intention to interfere with you?—Not more than a mob of people collected about the Factory; no regular force.

2709. Was there not a force of Chinese police-officers to keep off the mob?—There were a few fellows with whips.

2710. Did they answer the purpose of keeping them from the Factory?—I do not think they did.

2711. Did they come into the Factory?—They never came into the Factory; we had regular guards in the Factory gates, inside the gates.

2712. Did you see or hear of any demonstration on the part of the Chinese government of the intention to interfere with the Factory?—The Chinese governor issued a threat, as I understood, to that effect, that he would send a force to expel certain ladies who were in the Factory.

2713. Was that written, or verbal?—I believe verbal; communicated by the principal Hong merchant.

2714. Are

agency?—The immediate effect would be a large reduction in the government expenditure; and as the government became more economical, they would be able to relieve the people from a portion of the present taxation, this relief again would lead to an accumulation of capital, and that capital would be employed in the creation of fresh revenue.

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5054. What is your opinion of the general treatment of the natives, particularly those of rank and station, by the Company's servants, civil and military?—I do not think it is by any means so courteous as it ought to be, they are often treated with great harshness. I have had frequent complaints, during the time I have been in office, of the uncourteous treatment of natives by Europeans.

5055. Is there anything like friendly confidential intercourse between them?—None whatever. Of course there are exceptions, but generally speaking there is no familiar intercourse between European public functionaries and native public functionaries.

5056. Are not the natives liable to be imprisoned in a summary way, without perhaps even any charge being brought against them?—Certainly not by law. Instances of such imprisonment do occur, but they are not warranted by any law or regulation.

5057. Have they any means of redress?—The only means of redress is by prosecutions in court, which are next to no redress at all; but all this is against regulation.

5058. Upon what occasions do those arrests and imprisonments generally take place?—Usually, I imagine, under charges preferred against them.

5059. In what way are they brought to trial?—By a process laid down in the regulations.

5060. In the cases you allude to, are those persons brought to trial?—In speaking of imprisonment, I had in view regulations in the revenue department, by which collectors are vested with a summary jurisdiction for the security of the revenue, and the protection of the inhabitants from the exactions of revenue officers. Under charges of that kind the native servants are liable to be imprisoned for a time before the trial comes on. When I say imprisoned, I do not mean that they are put in gaol, but that they are frequently placed under restraint, and in the custody of peons.

5061. In those cases are they subsequently brought to trial, or are they sometimes discharged without further process?—They are usually brought to trial. It but seldom occurs that they are discharged without some kind of trial. Since I left Coimbatore, a man who was my chief native agent in that province for fourteen years, was imprisoned, that is, made a close prisoner in his own house, and kept under the custody of peons for many months, before he was made acquainted with the charges preferred against him, by people instigated to come forward against him, and who wished to get his place.

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2714. Are you aware whether that was an order from the governor at Canton, or whether it was not disavowed by him?—I have every reason to believe that it was an order directly from him.

2715. How long did you remain in Canton?—Till the 29th of November.

2716. During that time, did not the governor of Canton disown having sent any such threat?—He did not disown it; he so far retracted it as to say it was sent in a passion.

2717. Were you one of the party who presented the petitions at Canton?—I was not, personally; the petitions were presented under my orders.

2718. Did you sign the petition?—I did not; I had orders to collect a force of a certain number, to accompany the gentlemen of the Factory to carry the petition.

2719. Under whose direction did they proceed?—Under the direction of a gentleman of the Factory, I having given them orders to that effect.

2720. What gentleman of the Factory presided over them?—I think Mr. Jackson.

2721. Are you aware what took place at the gate?—The petition was received.

2722. Was there any collision?—There was some squabble with the guard at the gate.

2723. Was there any thing more than what usually happens when petitions of that kind are presented?—I believe nothing more.

2724. Who was chief of the Select Committee when you were there?—Mr. Baynes.

2725. Did Mr. Baynes arrive before you did?—My first interview with Mr. Baynes was at Macao.

2726. Did his lady proceed with him, or come after him?—She proceeded with him five or six weeks after the arrival of the first ship.

2727. Was any objection taken immediately to her residence there?—I understood not.

2728. How long had they resided there before that order was sent to you?—I think about a week.

2729. Did the armed force that you sent up proceed by day or by night?—By night.

2730. Did they meet with any interruption?—None whatever; I received the orders at six in the evening, and the force and the guns were in the Factory before day-light in the morning, and the sentries planted.

2731. Did you remain after Mr. Baynes, or did you leave first?—I left Canton before Mr. Baynes.

2732. During the time you were there, did any interruption take place in any of your intercourse with the Chinese?—None.

2733. Did

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5062. Under what authority?—Under the authority of my predecessor Mr. Thomas. Other instances of the same sort have occurred in the provinces of Tinnevely and Tanjore, where the head native agents of former collectors were imprisoned in the same way by their successors.

5063. Upon whom depends the bringing that person to trial?—The collector.

5064. In the specific case of your successor, is the collector bound to report, and does he report to the government his having so put that individual into confinement?—He is bound to report it. He is empowered to try summarily all offences against the revenue, and all instances of bribery or extortion committed by any person under him, but he is prohibited from carrying his judgment into effect till it has been approved by the Board of Revenue. If the person whom he has tried considers himself aggrieved by any order or proceeding of the collector under this regulation, he is entitled to appeal against it to the Governor in Council and the Board of Revenue; and the Governor in Council is authorized to take one of three courses, either to grant the relief prayed for, or to constitute a special commission for the trial of the appeal, or to indorse the petition that the man is to seek his redress from the ordinary judicial tribunals, and those tribunals are expressly prohibited from entertaining any suit against the collector, for any proceeding arising out of this regulation, except the man shall produce this indorsement from the Governor in Council; so that if the Governor in Council shall refuse to give the indorsement, which has been the case in this instance, and if he should refuse to constitute a commission, and should refuse to give relief, the man is without remedy, because no court of judicature can entertain any suit arising out of that regulation unless accompanied by that form.

5065. What is the regulation to which you refer?—It is Regulation No. 9, of 1822.

5066. Is there anything in the Madras territories at all resembling our Habeas Corpus?—Nothing having the most remote resemblance to it.

5067. You have said that the redress is by appeal to the court, is not that process attended with great difficulty and delay?—Great difficulty, and a great expense; this is stated in the broadest possible terms by Lord Hastings in one of his minutes, who calls a suit in court by a poor man a mere mockery.

5068. Do you conceive that under the existing institutions it would be possible to introduce some security partaking of the nature of our Habeas Corpus?—It would require much consideration, but something of the kind might, I imagine, be devised. The present practice, under the regulation before quoted, of imprisonment before trial, is no doubt most reprehensible, and I should say that Habeas Corpus at once would be much better. It is a common practice amongst the native servants that the moment an European agent quits his situation, the inferior native servants conspire against the superior native officers. That practice was followed in the cases of
Tinnevely

2733. Did any during that time take place with any of the American ships?—During the time I was at Canton there was an interruption took place with the Americans; the trade of a particular ship was stopped in consequence of some American ladies having come up to Canton.

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2734. Is it not your impression and belief that the chief cause of an armed force having been ordered to Canton by the Select Committee was the threat of the Chinese government to seize certain British subjects?—I believe so.

2735. Was it not expressly stated that it was on account of the residence of Mrs. Baynes?—The Viceroy shifted the question when he knew the homicides were out of his power, who had been sent away in consequence of the directions I had from Mr. Baynes to send them down in armed boats below the fort.

2736. You refer to the Parsees who killed Captain Mackenzie?—Yes.

2737. Do you recollect the date of your receiving those orders from Mr. Baynes to send them away?—I cannot state the date.

2738. Did the inquest upon the death of Captain Mackenzie declare the Parsees to have been the murderers of Captain Mackenzie?—I was not at Canton during the inquest.

2739. If the lady had been the lady of a private individual, would the Chinese, in your opinion, have stopped the whole trade?—I do not think so; the Chinese during the whole season never attempted to stop the trade for an hour.

2740. Supposing that lady had been the wife of any private individual, would that have caused the stoppage of any trade that was not belonging to the Company?—I believe it would.

2741. Was the whole of the American trade stopped?—No, only one ship.

2742. Had you any communication or conversation with the captain of the American ship whose vessel was stopped in consequence of the American lady being there?—I had not; the other Americans remonstrated with the agent for the ship, and the result was that the ladies were sent down to Macao immediately, as the other ships did not choose to have their trade stopped for a lady they had nothing to do with.

Tinnevely and in Tanjore; and Coimbatore is the third instance in which the moment the European collector left the province, the head native agent of the province has been tried and imprisoned, and in two out of the three instances the men so tried and imprisoned have at length been exculpated.

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5069. Has the collector, as a magistrate, the power of imprisonment and also of inflicting corporal punishment?—Under process of law, but it is his fiscal jurisdiction that I am now speaking of. It is not to his power as a magistrate, but to the abuse of his power as collector of the revenue, in certain instances, that I have been speaking of.

5070. Does he not, as a magistrate, inflict summary punishment?—Not without previous inquiry; he observes the same forms as a magistrate does in this country.

5071. Is not there a regulation of the date of 1806 which gives that power to a single magistrate to imprison and to inflict punishment?—I think the original regulation is in 1802; that was when the magisterial powers were united with those of the civil judge; another regulation of 1816, which united the office of magistrate and collector, gave the magistrate similar powers.

5072. Do you not consider that the dams and canals, and other works which have been mentioned by you as having been executed under the native government, as so many proofs that the people enjoyed under the native governments a great degree of prosperity, and that upon the whole those governments worked well for the people?—I think that whether the native government was good or bad, depended entirely upon the character of the individual; all the institutions under the native governments were excellent, if well used, but as those governments were pure despotisms, tyranny was, as might have been expected, the rule, good government the exception. I should say, however, that when the incessant wars and convulsions which have taken place in India are considered, those magnificent works are certainly proofs of the existence of a paternal government, and that upon the whole it worked much better for the people than we are inclined to suppose.

5073. When you speak of institutions what do you mean?—I speak of the municipal institutions. From the most ancient time the municipal institutions have always been complete; there has always been a local magistracy and a local proprietor, and there were all the elements of good government; but when a tyrant became the sovereign he disregarded those institutions.

5074. What is the present state of Coimbatore as compared with what it was when it was ceded to the British government?—It is in a much higher state of cultivation than when it was ceded to the British government, or for many years before, but there are evident traces of a still more extended cultivation in more ancient times.

5075. Has

Martis, 19^o die Julii, 1831.

SIR GEORGE THOMAS STAUNTON, BART. in the Chair.

ROBERT RICKARDS, Esq. called in, and examined.

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R. Rickards, Esq.

2743. WHAT situation did you fill in India?—I filled several in the civil service of the East-India Company under the Bombay and the Madras governments; my last situation was that of Member of Council in Bombay.

2744. How many years were you in India?—About twenty-three years altogether.

2745. Were you a Member of the House of Commons, and of the Select Committee appointed to inquire into the affairs of the East-India Company in 1813?—I was.

2746. In what year did you return from India, and have you since that period been engaged in the trade with India?—I returned in the year 1811 from India, and I have been more or less actively engaged in the India trade for the last fifteen or sixteen years, and am now engaged in it.

2747. Will you state the terms in which the East-India Company expressed their views at that time as to the practicability of extending the Indian commerce, which at that time was advocated by the British merchants?—I would beg leave to premise that I have always been of opinion that the Company have laboured under great misconceptions, as well with regard to their own trade as to that which is commonly called the private trade; all that I have ever said or written upon this subject has arisen from the conviction of this fact; and if in the end it shall be proved that I am right, I trust it will then also appear that I have not been actuated by that spirit of hostility to the Company which I have often but unjustly been accused of; and that I have only endeavoured to expose an erroneous course of proceeding, which, I solemnly believe, is not only attended with great national injury, but leading the Company themselves to certain and irretrievable ruin. The answer which I am about to give to this query will contain a proof, amongst many others which exist, of the errors and misconceptions here adverted to. In the Report of the Committee of Correspondence of the Court of Directors, on the 9th of February 1813, and handed up to the President of the Board of Control, with a letter of the 10th following, it is expressly stated, “that all the expectations then entertained by British merchants as to the wished-for opening of the Indian trade were groundless and delusive; that those who should act upon them, if the trade were opened, would be sure to experience ruin, loss, and disappointment, and that the abolition of the Com-
pany’s

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5075. Has the cultivation of coffee been introduced above the ghauts of late years?—To a very considerable extent, and it is found to answer exceedingly well.

5076. Do you not conceive that in India there is an amazing elastic power on the part of the people and the country, which renders the land susceptible of great improvement where the land-tax is moderate, and the other institutions are favourable to the advancement of prosperity?—I should say that there is no country possessing a more elastic power, which is manifest from this circumstance, that under the most oppressive governments cultivation and population increased, the country always yielded a large revenue. It is manifest also from the circumstance I have mentioned, that the specie, which is drained annually in large masses for expenditure at the presidency, is so quickly returned to those provinces through the channels of commerce.

5077. Do you not conceive that in all parts of India with which you are acquainted there is a power of increasing the wealth of the country to a very large extent?—To a very large extent; where the fiscal system has been good, prosperity has always been the result.

5078. You have stated that from Coimbatore there is considerable export of the precious metals, and a reimport again; are the Committee to understand that mercantile bills do not exist there?—I do not mean to say that the reimportations are in specie; money is paid into the treasury at Madras by private merchants for bills upon the collector at Coimbatore; that practice has been introduced within the last eight or nine years.

5079. Is there, at the present moment, a transmission of specie annually?—There is; principally from Mysore.

5080. You were understood to say, that supposing the natives to be more generally employed in the different departments of government, the expenditure of government might be considerably diminished; do you conceive that the present government of India is an expensive government?—A most enormously expensive one, in the civil administration of the country.

5081. In what branches do you think a saving could be effected?—In every civil department, revenue and judicial.

5082. Do you mean by the employment of natives?—By the employment of natives, and by simplifying the machinery of government.

5083. What is the state of the roads in Coimbatore?—In Coimbatore it is remarkably good; the bottom is generally very good; they have all been marked out, and planted with trees in avenues.

5084. Are there not very few parts of India where there are good roads?—Very few; there have been great efforts made to build bridges and new roads, but very little attention has been paid to keeping them up; the roads, and a succession of bridges, have frequently been all washed away in the monsoon.

5085. Have

pany's commercial privileges would be in effect the extinction of the whole of the present Indian system." "Can the Court therefore," they add, "with these convictions, lend themselves to promote the dangerous conceptions already too prevalent, at the sacrifice of so much individual interest, and of that public interest, the care of which is intrusted to them. If it were indeed probable that by a slow process the commercial intercourse between this country and the East could be enlarged, the effect would be far too distant to relieve the present pressure, and the first adventurers be more likely to plunge the trading world into fresh difficulties." In the 16th page of the same Report they add, "after all the knowledge, which successive ages have afforded upon this subject, that men of general intelligence and cultivation should, in opposition to the usual course of human affairs, adopt the fond idea of entering at once into the enjoyment of a new world of commerce, is a most striking instance of credulity, and of the power which interest and imagination united have to impose upon the understanding."

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2748. Do you think the Company were justified in those assertions on any experience of the actual state of the Indian trade between 1792-93 and 1813?—I do not think they were justified. In the discussions which took place in 1813, the Company and their advocates always insisted that the trade of India, both import and export, was carried by the Company themselves to the utmost extent of which it was susceptible. They argued this position as if no extension of the Indian trade had taken place since 1793, when great concessions, they said, were made to private merchants. Possibly they were led to this conclusion from the circumstance of their own trade remaining throughout this period stationary; but facts at this time, had they been carefully examined, would have afforded a different result; the American trade, for example, had greatly increased between the years 1794 and 1811; for ten years from 1794, during which the increase was progressive, their exports from Bengal alone averaged £464,357 per annum, and their imports £390,606 per annum; in six years from 1802-3 to 1807-8 their imports into all India averaged £1,247,920, and their exports £1,154,494 per annum; and in three years from 1808-9 to 1810-11 their imports were £1,627,612 and their exports £1,705,814 per annum; this was a great and progressive increase. The Company endeavoured to explain it by the existing state of our European wars, the Americans being at that time the only neutrals, and consequently the carriers of the world; adding, that it might be taken as a certainty that, whenever war ceased, all their advantages would cease with it, and their power of entering into competition with the Company in the trade of our own settlements would be greatly reduced. The American trade with India however did not fall off until the Company obtained the consent of His Majesty's Ministers to impose a double duty on the neutral trade of India, which then applied almost solely to the Americans. In 1793 private merchants were partially admitted into the Indian trade, for which a class of ships called extra ships were provided by the Company. The forms and restrictions of this arrangement were such as to be attended with numerous inconveniences and

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5085. Have you formed any opinion as to the effects, either upon the revenue or upon the prosperity of the natives, of the substitution of a duty for the present monopolies of salt and tobacco?—I have frequently expressed very decided opinions with regard to the tobacco, that a transit and an excise duty is by far the best; but I do not think that the excise duty could, consistently with the fixed assessment upon the land, be levied; and therefore I thought they should look for their revenue entirely from the transit duty. If, however, you could show the ryots that it was for their advantage to levy an excise duty, they would be very willing, I suppose, to consent to an increase of that kind, provided they were relieved from the monopoly.

5086. In what way is the monopoly now practically established?—I stated, in my former evidence, that there is a particular species of tobacco which is grown in Coimbatore, exclusively for the consumption of Malabar, the name of that is "Woddemagum;" the whole of that produce is monopolized for the consumption of the sister province of Malabar. It is taken by the collector in Coimbatore, at a price fixed by the government, in communication with the growers, and it is sent into Malabar, where it is warehoused. From the warehouses it is sent to the different revenue officers in the district, who sell it at a monopoly price, and they very often force the sale of it.

5087. Do you consider that a fair market price is paid for it to the ryots?—A fair market price is now paid for it. I made frequent communications to the government respecting it, but the evil of the monopoly is still felt in two ways; it is felt by the consumers, who now pay two hundred and five rupees for what formerly sold for sixty rupees, and it is felt by the producers, inasmuch as the consumption of tobacco being now forty per cent. less, the produce is less, and that is a check upon the cultivation of the most valuable staple of the land.

5088. How many European civil functionaries are there in Coimbatore?—Latterly there were five.

5089. When you say that you think the expenses of the government might be reduced, by simplifying the machinery, and calling more natives into employ, do you contemplate any reduction of the number of Europeans?—A very considerable reduction.

5090. Out of the five in Coimbatore, how many do you think might be dispensed with?—Four.

5091. Do you think that one European superintendent, with natives under him, could manage the revenue and civil concerns?—I think that he could. When I speak of the machinery of the government, I allude to the presidency. The present mode of carrying on the government is by a system of boards, which are as complicated as anything can be. There is the Revenue Board, the Military Board, and the Board of Trade, so that the government, in fact, have
no

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obstructions to private merchants; consequently this branch of trade could not be carried to the full extent of which it was susceptible, still it appears to have greatly increased; the imports from India in 1793-4, by privileged traders being only £181,710, and in 1811-12, £1,169,023. These facts are anything but corroborative of the Court of Directors opinion. They seem to have thought the trade had not increased, because the whole of the tonnage appropriated by them to the privilege trade was not occupied, but this is easily accounted for by the forms, restraints, delays, and even rate of freight, to which merchants were liable in extra ships; while subsequent events show to what extent the trade was capable of increase, when merchants were allowed after 1813 to follow up their own objects and pursuits at their own time, and in their own way.

2749. From whence do you derive the facts you have stated?—These facts would be found distinctly stated in detail, in the 12th and 13th pages of the same Report.

2750. With these facts before them, does it appear upon what grounds the Company advanced and maintained the opinions you have read?—In the report before alluded to, they state their opinion to be founded on the experience of all the nations of Europe for three centuries, the testimony of ancient history, the climate, the nature, the usages, the custom, the prejudices, and the religious and political institutions, of the Eastern people; backed, as they add, by the great mass of British subjects then in Europe, acquainted with the countries of the East; whilst on the side of the petitioning merchants there was nothing but a sanguine theory.

2751. Did not the Company quote Adam Smith and Montesquieu in corroboration of their views, and insist that the reasoning of those authors was more agreeable to experience on the subject of Indian commerce, than the reasoning of the free traders who sought to interfere with the commerce of India?—In the same report, the Court of Directors did quote both Montesquieu and Dr. Adam Smith, but the inference drawn from the opinion of the latter is not quite accurate; for Dr. Smith had distinctly asserted that “the East Indies offered a market for the manufactures of Europe greater and more extensive than both Europe and America put together.” This the Court of Directors positively deny; but on the opening of the trade in 1813 Dr. Smith’s assertion began to be verified, it has ever since received increasing proofs of its accuracy, and would certainly be proved to the very letter, if the rights and interests of the natives of India were more justly attended to, so as to be relieved from that state of extreme poverty to which the great mass of the population is reduced by the operation and effect of our fiscal institutions.

2752. Those objections which you have stated to have been made were made against the increase of the general trade to India. Did not the Company object with equal force against the opening of the trade with respect to the out-ports; and did they not prognosticate ruin to them, if they were permitted

27 Sept. 1881. no direct communication with their executive officers, every thing passes through these boards, and that leads to an enormous multiplication of records, and of course to great delays and expense.
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5092. Would you propose that the one superintendent in the district should exercise the functions of superior judge of the district, and also of magistrate and collector of revenue?—My own idea is, that the European should be confined to superintendence and control. I should conceive that both the revenue, and civil and magisterial functions might be managed by the natives, with a strict European control. The greatest abuses of authority always arise out of the fiscal jurisdiction, not out of the ordinary magisterial or judicial functions.

5093. Do you conceive that the natives that would be called into action would be the persons who now act under the European officers, or that a new class of persons would be brought into operation?—Undoubtedly, those who have been regularly brought up; none but those duly qualified by previous education in the inferior offices of the civil administration should be permitted to occupy the higher grades.

5094. Are they not now found to be generally very corrupt?—If they are found to be so, it is in consequence, I conceive, entirely of our treatment of them; they have no interest in working for us, and therefore, they invariably work against us when they can.

5095. And you conceive, that if they had better salaries, and better prospects, their corruption would be materially diminished?—I think that they would be nearly, I will not say altogether, as honest as Europeans, if we held out the same motives to them.

5096. Would not a larger extension of confidence to them produce a better state of feeling among them?—Unquestionably that would be the result.

5097. Do you conceive that the experiment of the employment of native agency might be tried with advantage in a particular district?—I am satisfied it might be, with great advantage; that is to say, if the experiment was made by a person favourable to its introduction, but not otherwise.

5098. Do you apprehend, that under the Madras presidency there are many persons of sufficient rank who concur with you in opinion?—I should suppose there are a considerable number; it is a growing opinion; I think it is an opinion amongst all those persons who are most conversant with the natives. Those in the trammels of a judicial office have but little to say to the natives; this is not a matter of choice, but of necessity; the collector, on the contrary, has constant intercourse with all classes of the people; he has a deep personal interest in the prosperity of the country, and his object is to consult the wishes and inclinations of the people on all subjects. On the other hand, people who pass their time at Madras, know

mitted to engage in that commerce?—In page 10 of the same Report, they did as strenuously insist that the opening of the trade to the out-ports of this kingdom, which the petitioners prayed for, would be quite ruinous to the Port of London. Their argument on that head was, that “the immense interests which the Port of London, with all its descriptions of merchants, tradesmen, tea-dealers, factors, brokers, dyers, packers, calenderers, inspectors, labourers, ship-builders, ship-chandlers, rope-makers, ship owners, mariners, and all their train of establishments, warehouses, wharfs, docks, yards, premises, shipping, formed in the course of two centuries, would all be involved by the opening of the trade to the out-ports. The Company’s periodical sales, on which so much of the order and success of their business depend, would be interfered with, and their very large property in warehouses and other buildings deteriorated; in short, all the institutions, public and private, of the capital, for carrying on the eastern trade, would be shattered or broken down.” His Majesty’s Ministers, however, thought otherwise. Twelve out-ports were opened to the Indian trade, and have carried it on briskly ever since; and it does not appear that the Company’s sales have fallen off, their property become deteriorated, or that any of the above-mentioned establishments have broken down, or that London has been ruined, as a consequence of this event.

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2753. Did not the Company upon that occasion also assert that they had an experience of twenty years to support their opinion, that no new commodities had found their way there during the partial facilities that had been given, and that the opinions of Dr. Smith, which they formerly quoted, as regarded the probable extension when the trade was opened, had not been verified and could not be verified?—The opinion of the Court of Directors on this head, and their consequent predictions were, that in the whole period of twenty years, from 1793, in which facilities and enlargements never enjoyed before had been given for private enterprize and adventure, in which the private trade had considerably increased, and on the whole a very ample experiment had been made, not one new article for the consumption of the natives had been exported; adding, in another place, “In the period of forty years since Dr. Adam Smith published his work ‘On the Wealth of Nations,’ the endeavours of all Europe and America have made no discovery of that immense market for European manufactures which he said was offered by the East Indies;” and on these grounds the Court of Directors founded their favourite argument of its being utterly impracticable to extend our commercial intercourse with India. To this I would answer, that it is quite obvious that the trade between India and Britain had greatly increased between 1793-4 and 1813, and as certain that the increase has been made much greater since. If therefore we consider the variety, as well as quantity, of the exports and imports included in this increase, we shall be satisfied that it must have contained many articles which, though classed under certain general denominations, were entirely new to Indians. Under the head of metals, for example, spelter is an entirely new article of export; under cotton

know very little of the natives, but amongst that class who have free intercourse with the natives, a considerable number, I imagine, concur in opinion with me.

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5099. Would not the power of an European superintendent be very great and dangerous in bad hands?—I think that there should be a superintendence over him again. There should, in my view, be a superintendent in each district, and a commissioner who should have superintendence over two or three districts, and there should be an appeal from him to the government. It is a strange circumstance, that the government itself has now no means of redressing any error committed by judicial tribunals. In India it passes from the judges of the courts to the King in council.

5100. Would you have the Governor in council over all the judgments of the judicial tribunal?—I would have him the final court of appeal, as the House of Lords is in this country, where the King is supposed to be present, as he is in all appeals made to the King in council.

5101. Supposing India to be divided into districts under a superintendent, and three or four of them under a commissioner, what training would the functionaries have who were to be appointed to the office of superintendent?—I should think each commissioner ought to have a certain number of European assistants with him; I should state however, at the same time, my perfect conviction that any European, either as a commissioner or a superintendent, even in that situation must have native associates for training the young functionaries; I should think he should have a number of young European assistants, and power to delegate a portion of his authority to them, or to send them upon missions and inquiries which would bring them into contact with the natives.

5102. Has the consumption of European articles generally, and British manufactures in particular, in Coimbatore and other parts of the Peninsula, increased of late years?—It has considerably increased of late years.

5103. What are the articles chiefly consumed?—Printed calicoes and broad cloth, and a little iron and cutlery.

5104. Have the English cotton goods superseded the manufactures of the country generally?—I believe they have, to a considerable extent.

5105. Do the natives appear to like them equally well, or is it their greater cheapness that recommends them?—I understand that they are considered to be cheaper, but not so lasting as the native goods; they are very fond of European colours and patterns.

5106. Are not the white cottons very much used, and have they not superseded the manufacture of the Western Provinces?—I believe they have of the finer kinds, to a great extent; there is no manufacture in Malabar.

5107. Which comes within the range of the great mass of consumers, the English article or the Indian?—The great mass of the people use the Indian, because that is a coarse article, and very cheap.

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cotton goods, Bandana handkerchiefs, book-muslin, imitation shawls, and cotton-yarn or twist, are also new articles of export. But if the Committee will take the trouble of inspecting No. 37 of the "Papers relating to the Finances of India, and the trade of India and China," laid before the Select Committee of last year, and purporting to be an account of imports and exports between Great Britain and places to the eastward of the Cape of Good Hope, between 1814 and 1828, they will perceive a great variety of articles of which nothing was either exported or imported by the Company, but large quantities by individuals, some articles of which the return is nil in 1814, and large quantities by individuals in 1828, and an immense increase by private merchants in all the principal articles of consumption, between 1814 and 1828. It is impossible therefore, I think, to deny that the trade has vastly increased since 1793; that the increase embraces a great variety of articles formerly unknown, or not used in India; and lastly, that the Company never have carried this trade, and never could carry it to the extent of which it is obviously susceptible.

2754. Do the returns generally of the commerce since the charter of 1814 oppose those opinions which the Company alleged against the opening of the trade?—If the Committee will please to refer to No. 40 of "Papers relative to the Finances of India, and the Trade of India and China," it will thence appear that the Company's export and import trade has, on the average of sixteen years only, amounted to 1,88,27,825 rupees, or at 2s. the rupee £1,882,782 per annum; whilst that of private individuals has averaged for the same period 5,45,14,520 rupees, or £5,451,452 per annum. The private trade is therefore nearly five times as great as the Company's, and it proves three things: first, that the Company have not carried the trade to its fullest extent; secondly, that private traders are much fitter for extending the commercial intercourse with India than the East-India Company can be; and thirdly, that no definable limit can be placed to the extension of this trade if our institutions abroad admitted of growing wealth among the natives. Were this the case, I have always maintained, and still must maintain, that Dr. Adam Smith's predictions with regard to the capabilities of this trade would be completely verified.

2755. These observations you have now made apply entirely to the trade with India?—Entirely; the voucher I have referred to, No. 40, will show it.

2756. In the course of the inquiry that took place before the Select Committee in 1813, what opinion did you then express upon that subject, as a witness before the Committee?—I believe I was the only person in the House of Commons who strenuously insisted upon the opinions of the Court of Directors as regarding the trade to India, and the impossibility of its extension, being absolutely unfounded, and at complete variance with what I conceived to be the real character and habits, and religious prejudices of the natives of India.

2757. Then the opinions you gave in 1813, in opposition to almost the whole

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5108. Are the manufactures liable to any transit duty?—All kinds of manufacture are liable to a transit duty of five per cent., and in Malabar there is a tariff valuation which subjects them to an additional five per cent.

5109. Is Malabar supplied through the circuitous route of Madras?—Sometimes it is.

5110. How much per cent. do British manufactures pay altogether upon going to Malabar?—They pay two and a half per cent. upon importation at Madras, they pay five per cent. at Coimbatore, and they pay five per cent. upon the difference of the tariff in transit to Malabar.

5111. Are there any hoondies to be obtained in Coimbatore?—Any quantity, and for a large amount; the traffic in bills is very considerable; all the great houses in Bombay have agents in Coimbatore, and you can get bills upon any part of India; these shroffs have established themselves within the last ten or twelve years.

5112. Does not that lessen the demand for specie?—It has done so very considerably; there are great financial dealings between the Bombay and the Madras government, the Bombay issuing bills upon the Madras government, which are purchased by the soreears there, and sent to Madras for payment; the proceeds of these bills again are paid into the general treasury at Madras for bills upon the provincial treasury, and the produce of these again is circulated in the district for the purposes of commerce.

5113. Are not the transit duties upon British goods contrary to law?—All duties that were in existence when the Act for the last charter passed are legal, but the government cannot levy any fresh transit duties.

5114. What is the rate of interest at which individuals can borrow in Coimbatore?—The interest of money now is from eight to twelve per cent. it was as high as sixteen or eighteen and twenty per cent.

5115. Does any part of the produce of Coimbatore find its way to the British market except cottons?—I am not aware that there is any, but the cotton produce can be extended to any amount.

5116. Is there any indigo cultivated there?—A very small quantity; it is not found to answer.

5117. Can you state what is the proportion of the proprietors of the soil to the number of occupants?—I do not exactly understand the distinction; the proprietors are the hereditary occupants, and the cultivators of their own lands, in a majority of instances.

5118. Would it not, in your opinion, be very desirable that any native should have a direct appeal to the Governor in Council, in the event of being imprisoned?—Certainly, upon all occasions; he always enjoyed that privilege under the native governments.

5119. Which would, in fact, amount to a habeas, would it not?—Not absolutely;

whole evidence taken from the Company's servants, you allege to have been verified by the result of the last nineteen years?—I do; and I submit that the experience of the present day proves it unequivocally.

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2758. To what circumstances do you ascribe the extended and extending consumption of British manufactures among the natives of India?—First to our manufactures and staples being perfectly suited to the wants and tastes of the natives of India, who will assuredly use and consume them to the utmost extent of their means; and secondly, to the great cheapness of British articles consequent on the use of machinery, with capital sufficient in this country to employ it with the fullest effect.

2759. Admitting the vast reduction which has taken place in the cost of British productions in this country since 1813, do you conceive that the Indian trade would have attained its present amount had the laws which regulated it previous to 1813 been continued up to the present period, instead of being changed as they were at that period?—Certainly not. My previous answer presumed, as of course, the opening of the trade which had been effected in 1813.

2760. Then, in your opinion, the extension has taken place in consequence of the freedom and facility which was given at the commencement of the present Charter to the British merchants?—I have not the least doubt of it.

2761. Is it your opinion that if greater facilities were still given, a continued extension of the trade would go on?—It would undoubtedly, if those facilities were coupled with a salutary reform of the local institutions abroad; for it should always be remembered that trading with a wretchedly poor people can only be carried on to a limited extent.

2762. You mean the municipal regulations within the Company's territories?—Yes, I mean the revenue and judicial regulations chiefly.

2763. What are the present rates of freight out and home to India in the free trade?—The common rate of freight outwards on dead weight is from 20s. to 30s. per ton; on light goods from £2 to £3 per ton. The freight homewards upon private ships is, on dead weight, about £4; and upon light goods from £5 to £6 per ton. These have been common freights for some years.

2764. What would you consider the average freights out and home to have been during the last eight or ten years?—From eight to ten or twelve pounds per ton, out and home.

2765. That is nearly what the present rate is?—Yes.

2766. Do you think it possible that the present rate of freights can continue and afford remuneration to the owner?—It has continued for so many years, that there is reason to suppose ship-owners must find their advantage in these voyages, or so many of our ships would not proceed, as at present, annually to India.

2767. Can you state what were the peace-freights paid by the East-India Company

absolutely; because that would not be imperative upon the government to order the release of such a person, as a judge is obliged to grant a habeas corpus.

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5120. Is there at present any such appeal?—There is no such appeal, except through the regular judicial process. I am speaking of the imprisonment of native officers by collectors, under summary process. Every native may present a petition to the government, but the government can only deal with such petitions through the medium of the regulations.

5121. And may not that be retarded by the party who has himself confined the party?—Not without the violation of the law.

5122. Is not the first operation, after putting a native under restraint, the seizure of all his books and papers?—A regular process is laid down in the regulation I have quoted, by which the collectors are to proceed against their native servants, or against others amenable to his jurisdiction. One of those provisions is, that to prevent fraudulent abstraction of property, he may put sale upon it, and if there are well-grounded suspicions that the man intends to escape the process of the court, he may put peons upon him, but he does that under a very serious responsibility, and it must be done upon regular affidavit.

5123. Is it generally the practice to do that only upon affidavit?—I am afraid it is not generally the practice. In the instance I have mentioned at Tinnevely, it is upon record that the papers of the man were seized, and his person confined, before process was commenced; that took place also in the case of the native functionary at Tanjore, and it was the case with respect to the head native agent of Coimbatore.

5124. Was any reparation made to the two parties who were declared innocent?—One of the two parties was confined previous to trial, and his property placed under attachment; the other was kept in confinement, after he had satisfied the judgment; and in the latter case, that of Tanjore, the commission of appeal awarded compensation to the amount of five hundred rupees, about £50, expressing an opinion at the same time, that no compensation that he could award could remunerate the men for the sufferings they have undergone from that process of the collector.

5125. Do you know whether the system you established in Coimbatore, with respect to the land revenue, and the other points detailed in your evidence, still continues, or whether any alteration has been made?—I have heard from persons on the spot, that a great number of most serious alterations have been made in it by the collector, of his own authority, and for which of course he is responsible to his superiors.

5126. Have those been alterations seriously affecting the prosperity of the province, and the rights of the inhabitants?—Most seriously, if they have been correctly represented to me.

5127. Have not imprisonments, such as those you have mentioned, the effect

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Company before the war, at the time of the French Revolution of 1789 and 1790?—In a publication by Mr. Auber, the present secretary of the India House, the rates of freight paid by the East-India Company in 1786 are stated to be on ships to Bombay, £26 per ton ; Coast and Bay, £27 per ton ; and China direct £24 per ton ; this was the common rate of freight then prevailing. For the last three or four years the Company have chartered ships at from £8 to £11 per ton for the voyage to and from India, for single voyages.

2768. What is the freight paid by the Company for the regular chartered ships taken up for five voyages?—In the papers upon the table of this Committee, which I had occasion to refer to last year, I think it is now stated to be about £20 or £21 per ton. For some years, I believe, after the last war, it was as high as £28.

2769. If the freights which you have stated as formerly paid by the Company had continued, would it have been practicable to have imported cotton-wool, sugar and saltpetre, or any other gruff-goods which are at present so largely imported at the reduced freights?—It would have been perfectly impossible at the rate of freight mentioned, and the present selling prices of the article in this country. They are sometimes imported at a loss even at the low rates paid on private ships.

2770. You mean to say that many of those gruff articles are imported to England now at that reduced rate at a loss, solely for the sake of remittance?—Those goods, such as sugar and saltpetre, are often put on board as being required for dead weight ; as such, they are at times imported into this country at a loss, partly, too, occasioned by the high prices which private merchants are obliged to pay for them in India.

2771. Do you consider that there is any limit to the exportation of British produce except the difficulty of finding a return?—Returns are indispensable to promote an extended consumption of British manufactures abroad. The want of facilities in this respect is one cause of limiting the export of British goods, and that is mainly occasioned, as I have before explained in my examinations before this Committee, by the interference of the Company in the Indian trade, and the almost total obstruction to remittances *via* China, occasioned by the Company's monopoly.

2772. Will you state what you consider to be the principal obstructions which still impede the extension of the Indian trade?—There are certain forms and restrictions imposed by law on persons and ships proceeding to India, all of which are in my humble opinion very unnecessary, and are another cause of limiting the extension of the commercial intercourse between the two countries ; but the greatest obstacle of all is, as I have frequently observed, the extreme and universal poverty of the great mass of the people ; in addition to which is the Company's interference in the trade, and the exclusion of British shipping from that branch of trade included within the China monopoly. I have fully explained my sentiments on these heads in
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effect of degrading the parties in the eyes of the natives?—Beyond all expression; no man of sensibility and right feeling can ever recover it.

5128. Was it by your successor that the native servant employed by you was placed under surveillance?—It was ten days after I quitted the province.

5129. Has he made any appeal to the government?—He has, and I have made an appeal for him to the Court of Directors.

5130. Has any notice been taken of the appeal?—The government took no notice of it whatever; instead of ordering the process prescribed by the new regulations, they indorsed the petition to be frivolous and vexatious, by which the man was left without any remedy.

5131. Will the man always remain under surveillance?—I cannot possibly tell how long he will remain under restraint; his property was sequestered, and security was demanded of him to the amount of £20,000, all before the trial commenced.

5132. Is he a man in whom you had confidence?—The greatest possible confidence.

5133. In what way will his property that is now under sequestration be restored to this man?—Unless he is convicted of the crime laid to his charge, it ought to be restored to him with interest.

5134. Do you expect that will be the case?—From what passed upon the former occasion, with respect to the man that got £50 damages, I suppose not.

5135. According to the regulations now in existence, will the individual, who is under surveillance, be brought to trial?—The provisions and regulations have been entirely dispensed with in his instance, and therefore it is impossible for me to say when he will be released from his present restraint.

5136. Do you know upon what ground those regulations have been dispensed with?—It is no where stated.

5137. When you say that the regulations have been dispensed with, do you mean that they have been dispensed with by a formal act of the government, or only that they have been disobeyed?—I have stated that the process laid down for the government to follow upon the occasion of a native functionary appealing against the orders of a collector, is either to grant the relief prayed, or to constitute a commission of appeal to try the petition, or to indorse the party complaining specially to seek redress in the ordinary tribunals, those tribunals being restricted from entertaining any suit except upon the production of such an indorsement. This person so aggrieved made his appeal in the manner prescribed by the regulation, and instead of following any one of those three courses, his petition was indorsed frivolous and vexatious.

5138. Has any trial taken place?—He has been tried under the summary process laid down in the regulation above quoted, and he has appealed from that process in the way pointed out by the regulation.

5139. What

former examinations, and it may be therefore superfluous to repeat them here. 19 July 1831.

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2773. What are the forms and restrictions you allude to which are attended to in the trade to India, and not required in other trades from England?—In my examination before the Select Committee on Foreign Trade in 1821, I explained how licenses to persons to reside in India were granted at the India House, to which I would beg leave to refer the Committee upon the present occasion. They will there find what difficulty, delay and expense attend the procuring of such licenses, and how completely the object of the Act of 1813 was, and still is, contravened. The Act requires a simple certificate to be given to all persons indiscriminately desirous of going to and remaining in India for lawful purposes; but the Court of Directors, even when they comply with the application, requires the party to enter into a regular covenant or indenture, subject to certain conditions, with a penalty-bond by two sureties; for all which payment is required. The Court also is in the habit of refusing permission unless the applicant can show an invitation from a settled house in India to join it, or some such cogent cause; but the Act gives them no power of refusing, this power being solely vested in the Board of Control, on good and sufficient reasons being shown. This Act too requires certificates to be granted to applicants without limit as to their residence in either of the principal settlements, whilst the covenant confines him to a particular town or presidency; and if this were rigidly enforced it might often prove ruinous to the lawful occupations and pursuits of a mercantile man. In short, the Act seems obviously intended to promote free intercourse with the inhabitants of India, whilst the covenant is obviously a restrictive, and as I think, unnecessary process; and being so completely at variance with the plain wording of the Act, I cannot do otherwise than doubt its entire legality.

2774. Has any difference taken place since the year 1821 in the mode of granting those licenses?—None, except with regard to shipping.

2775. What alteration has taken place?—The obstacle in that respect was remedied by the Act of the 4 Geo. 4. ch. 80; they are now permitted to go more freely.

2776. Under the construction put on the Charter Act of 1813, were not the shipping of Britain precluded by the Company from carrying on the coasting trade of India previous to 1823?—They were.

2777. What is the present practice in this respect?—They may now carry it on, but are first required to clear out from this country to one of the presidencies of India before they can go to the other ports.

2778. Has the removal of the restriction as to tonnage prescribed by the Act of 53 Geo. 3. ch. 135, given any facility in conducting the Indian trade; and are ships of less burthen than 350 tons at present engaged in the Indian trade?—Ships of smaller burthen now proceed to India. Ships of 250 tons, or less, are the most convenient size for Singapore and the eastern Archipelago;

5139. What was the result of the trial under the summary process?—It was his conviction by this gentleman of embezzling the revenues of about 10,000 rupees; it was an *ex parte* conviction. 27 Sept. 1831.
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5140. The judge being the collector?—Yes.

5141. Do you conceive that the government can dispense with any judicial regulation at its own pleasure?—I believe that there is no similar instance upon record. The regulations are in general scrupulously observed by the government, often to its own detriment.

5142. Can the government at its pleasure remove a judge if his decree should be displeasing on that account?—No; I believe such a power has never been exercised; two gentlemen were indeed removed from the sudder adawlut, Mr. Greenway and Mr. Scott; I believe because their proceeding in a case before them were not approved of here.

5143. May not the government remove without assigning any reason?—Such a power has been lately exercised, but it is in direct contradiction to the orders of the authorities in this country, by which the local governments are expressly prohibited from removing any civil servant from his office without a proper investigation.

5144. In this case, what was the award against your native servant?—He was sentenced to repay the amount which he was said to have embezzled, with a fine of equal amount. I should state that this man, when he heard that people had trumped up charges against him, implored that those charges might be produced. I made the most earnest solicitations on his behalf, telling the government, that if the province of Coimbatore had attained a considerable share of prosperity, it was owing mainly to his talents and exertions, and that if any charges were to be brought against him, they might be brought forward at once. No notice was taken of these applications, which were made in the early part of 1829; but five days after I quitted the situation in January 1830, the charges were produced, the man was arrested and his property was sequestered, he was kept in his own house under a guard of peons, all communication cut off from him, and his papers seized, and security demanded to the amount of £20,000 before he had been made acquainted with the charge against him.

5145. What is the name of the individual?—His name is Ramia, formerly head sheristadar of Coimbatore.

5146. Were there evidences confronted with that individual in the court?—Not a single evidence, as I learn from persons who were present at the trial.

5147. Was he present at the time the investigation took place?—He was not present; his petitions are now, I believe, before the Directors.

5148. Did this happen before you left India?—Five days after I left the province; and I believe on the very day that I sailed the first process against

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2779. Upon your experience as a merchant in London, receiving consignments from different parts of India, have you found that the cargoes imported in those smaller vessels have been equally well taken care of as in larger?—There has been no difference that I am aware of in the state of cargoes received by large or smaller vessels, when the ships themselves are equally good and well found.

2780. Has there been any difference in the rate of freight generally, and the expenses of sailing them between the smaller and the larger ships?—The rate of freight is the same in all : the expense of sailing must of course be less in the smaller vessels.

2781. Previous to the year 1821 did the Directors of the East-India Company readily grant certificates to persons desirous to proceed to India for the purposes of trade, in conformity to the section of the 53 Geo. 3?—I explained particularly in 1821 the difficulties and expenses incurred by persons applying for licenses to proceed to India, and I have again recapitulated that evidence in a preceding answer.

2782. Are you aware on what grounds the Directors objected to granting certificates so far as you think they ought to be done?—The Directors have always, from the earliest period of their history, been averse to private merchants interfering in the Indian trade : they have always dreaded this interference as fraught with injury to their own commercial operations. Whether they have any other motives for the restraints and limitations imposed I am not aware ; but such has always appeared to me to contravene the intentions of the Legislature expressed in the Act of 1813.

2783. Have they demanded written covenants from all persons proceeding to India for commercial purposes?—It was in 1821, and I believe still is, the custom to take a bond from applicants for a license to proceed to India, and then to grant them either Free Merchants Indentures, Free Mariners Indentures, or “ Persons to reside Covenants.” The cost of these is as follows :

| | | | |
|-------------------------------|---|---------|---------------------|
| For Free Merchants Indentures | - | £27 10. | Bond and Indenture. |
| Free Mariner ditto | - | 9 10. | |
| “ Persons to reside” Covenant | - | 12 0. | |

Of this latter sum £7 is for stamps, viz. three Covenants or Indentures executed in triplicate, each 3*s.*—£5. 5*s.* One Bond Stamp to be entered into by two householders in the sum of £500 jointly or severally, £1. 15*s.* Total £7.

2784. Did they require those covenants from masters of ships acting as supercargoes?—Not unless they intended to remain in India.

2785. All masters or supercargoes of vessels proceeding to India with the intention of remaining, were required to enter into some covenant as if they went out as passengers?—All persons intending to reside in India were, and I believe

27 Sept. 1831. *J. Sullivan, Esq.* against this man was issued; all the circumstances which happened when I was in the country are stated in the memorial that I presented on the subject to the Court of Directors.

Jovis, 29^o die Septembris, 1831.

WILLIAM CHAPLIN, Esq. called in, and examined.

29 Sept. 1831. *W. Chaplin, Esq.* 5149. WILL you state in what situations you were employed in India?—I went to India in the year 1800, and was soon afterwards sent to the College of Bengal, where I remained above two years, and returned to Madras in 1803. I was employed a few months in that year in the Northern Circars, partly in the revenue and partly in the judicial line. In 1804 I was appointed registrar under Sir Thomas (then Colonel) Munro in the Ceded Districts; in that situation I remained a twelvemonth, when I was promoted to the office of subordinate collector, under Colonel Munro, in charge of a separate division, consisting of four districts of the Ceded Provinces; in that office I remained till August 1807, when Sir Thomas Munro returned to England, and I was appointed to a division of the Ceded Districts, which were formed into two collectorates, Bellary and Cuddapah, to the latter of which I was nominated; there I remained about a year, when I was transferred to the other division of the Ceded District, Bellary, in which charge I continued from 1809 till 1818, when I was appointed to succeed Sir Thomas Munro in the Southern Mahratta country, of which he had the temporary management as Commissioner; I filled this situation for a year and a half, when I was called to succeed Mr Elphinstone as sole Commissioner of the Deccan, on his appointment to the government of Bombay; in that office I remained about six years, and then returned to England.

5150. What was the system of revenue management in the Ceded Districts when you were first employed?—The ryotwar system.

5151. Was it founded on the survey made by Sir Thomas Munro?—The survey was begun in 1802, and was scarcely finished till 1806-7. The survey assessment was therefore only acted upon partially, in some few districts, before Sir Thomas Munro's departure. Before the survey had been completed, it was the ryotwar system, conducted according to the usual plan of investigating the accounts of the villages, and settling the rent with the inhabitants according to the customary village rates, and with reference to the average of former years' collections. The survey not having been completed till nearly the period of Sir Thomas Munro's departure, it had therefore not been acted upon generally,

5152. What

I believe still are, required to enter into one or the other of the covenants I have before mentioned. 19 July 1831.

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2786. What is the present practice with respect to granting certificates of residence in India?—The same I believe as before; I know of no alteration that has taken place in this respect.

2787. Does the amount which you have stated for the certificates pay all the fees required at the India-House for those indentures?—It does.

2788. If a simple certificate were granted in accordance with the letter and spirit of the statute, would not that answer the purpose, and save the expense of both stamps and fees?—Yes, it certainly would; if the covenant and bond were not required to be entered into at the India-House there would be no occasion for a stamp.

2789. Did not the East-India Company in their petition to the House of Commons in 1813, with reference to the extended resort of British-born subjects to India, express their decided opinion that the unrestrained liberty of importation from England, otherwise than through the medium of their establishments in London, would produce effects which every well-wisher to this country must deprecate, and which would put to extreme hazard any pledge on their part for the good government of India, or the performance of their obligations?—They did express themselves in those very terms in the report I have now before me, and which I had occasion to quote in the early part of this examination.

2790. According to the best of your knowledge, have any of the fears anticipated by the Company from the resort of British-born subjects to India been realized?—I know of no real evil that has resulted therefrom.

2791. Can you furnish the Committee with any estimate of the number of British-born subjects in India, not in the military or regular civil service of His Majesty, or of the East-India Company respectively, in the year 1813, when the present charter commenced, and up to the latest period?—The following memorandum is extracted from the East-India Calendar, published at the India-House, and said to be by authority. Number of private British settlers in India respectively in 1813 and in 1830 respectively.

| | | | | | |
|-----------------|---|-------|---------|---|-------|
| Bengal: In 1813 | - | 1,225 | In 1830 | - | 1,707 |
| Madras: In 1813 | - | 187 | In 1830 | - | 134 |
| Bombay: In 1813 | - | 469 | In 1830 | - | 308 |

TOTAL, in 1813 - - 1,881 In 1830 2,149

Total increase in seventeen years . 268 persons.

2792. Since 1821 has there been any considerable increase of licenses?—On referring to No. 16, O 23 of Accounts and Papers delivered in to the Select Committee, dated 22d of February 1831, I perceive that they have greatly exceeded the numbers licensed previous to 1821; comparing the last eight years up to 1821 inclusive, with the following eight years, the numbers in the latter period are nearly doubled.

5152. What do the Ceded Districts to which you allude comprehend?— 29 Sept. 1891.
The two divisions of Cuddapah and Bellary.

5153. Do you mean that district above the Ghauts, commonly called the Table Land, situated between the Eastern and Western Ghauts?—It forms a portion of the Table Land connected with the Mysore. *W. Chaplin, Esq.*

5154. Was the system of ryotwar management continued by the Madras government subsequent to the departure of Sir Thomas Munro for England?—The system of ryotwar management was continued in the Cuddapah district during the remainder of the Fuslee year, ending July 1808; that is, it continued about nine months in the Bellary division, of which the late Mr. Frederick Gahagan was collector; it continued another year, that is, till July 1809. In the Cuddapah division the ryotwar system in 1808-9 was succeeded by a system of village leases for three years.

5155. Was it settled for three years at once in 1809?—It was; it was considered to have been successfully introduced by myself, and I was in consequence selected in the following year to introduce the same system into Bellary, on Mr. Gahagan's appointment at Madras as Secretary to the Government.

5156. Will you explain the principles upon which the ryotwar system and the village lease system are respectively founded?—The principles of the ryotwar settlement are to fix the money rent of each individual cultivator for the fields in his occupation with as much permanency as possible, the aggregate of such rents making the village assessment, which varies each year with the increase or decrease of cultivation, arising from lands either newly occupied or thrown up. Another main principle of the ryotwar system is to protect the rights of all ryots, as they now exist in every village, from infringement, and to prevent all encroachment upon those rights. The principle of the village lease system is that of farming out the village for a term of years to a renter, leaving him to make his arrangements with the individual cultivators, the amount of the lease so fixed being considered to be payable under all circumstances, extraordinary calamities excepted.

5157. Will you state shortly the manner in which each field is valued, in order to ascertain the amount to be levied?—It would require a very long explanation. It is all to be found in the survey instructions which are printed in the Selections. A certain number of native surveyors were appointed to conduct it; over them came examiners of survey, to correct any defects that there might be in their survey; after them came assessors, and then still further gradation officers, called head assessors, by whom the whole survey, classification; and assessment underwent a fresh investigation; it afterwards came under the revision of the collector's native cutcherry establishment; then it underwent a further revision by the collector himself. With regard to the mode in which the assessment was formed, I should say that the quality of the land (all other circumstances being equal) determined its classification; but consideration was always had to its actual state of cultivation,

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2793. Have you learnt of any inconvenience arising from that increased number?—None whatever.

2794. Were permission given to every British-born subject to proceed to India as they do to Jamaica or Nova Scotia, with unlimited power to invest their capital in the soil of that country, in the same manner as individuals do in our other colonies in the way most advantageous and profitable in their opinion; what class of persons in your opinion would avail themselves of that permission to proceed to India?—The most likely persons to proceed to India under present circumstances would be capitalists of large or small amount, according to circumstances, or persons of talent or knowledge, calculated to be useful in some one or other industrious pursuit; I believe that emigration would be confined to persons of this description, and would not extend to persons of a lower class; European labourers, for example, could hardly find employment in a climate like that of India.

2795. Does not India require capital to bring forth her productive resources?—It certainly does; but the best and fittest capital for this purpose would, in my opinion, be one of native growth. And such a capital would certainly be created among the natives themselves, if our institutions did not obstruct it, by curbing the energies, and confirming, as they now do, the poverty of the great mass of inhabitants.

2796. Would not India derive great advantage from men of talent, and science, and art, and men acquainted with European knowledge, proceeding to settle in India more numerous than is now permitted?—It would undoubtedly; and some of the natives of India have signified publicly the obligations which they already owe to Europeans of that description. Of this I gave sundry proofs in my examination before the Committee of the House of Lords, in last year, to which I would beg leave now to refer.

2797. Might not branches of manufacture, now unknown in different parts of India, be commenced with great advantage to the prosperity of India, as well as to the commerce with England?—Various new branches of industry, and many new productions, would naturally spring up in India under a different state of things to that which exists. A people in a state of confirmed and degraded poverty cannot, I apprehend, be roused to energetic habits by the mere stimulus of foreign example. On this account, I think that our first attention should, as well in common justice, as in policy, be directed to the improvement of the state and condition of the natives of that country.

2798. What would, in your opinion, be the best mode of encouraging the production of those native capitals which you think it is most important to improve?—Reforming the system of taxation, and a better administration of justice in India, are the first points to be considered. Without a suitable reform of these systems, the progress of prosperity among the natives can never be great.

2799. Since you were acquainted with India, have not many branches of commerce

29 Sept. 1881. *W. Chaplin, Esq.* valuation, its distance from the village and from markets, its former rent, the facility of manuring and of watering it, and every other incident by which the expense of cultivation was either increased or diminished.

5158. Was that valuation made annually?—No, when it was once concluded it was a permanent field assessment, not to be deviated from.

5159. What proportion of the value so ascertained was fixed as rent for the government?—The general theory was, that about forty-five per cent. was taken as the government share, and fifty-five per cent. left to the ryot.

5160. In practice did you carry that into effect?—In practice the collections of former years, added to the quality of the land, and the various other circumstances I have enumerated, formed the ground-work on which the assessment was made.

5161. Then are the Committee to understand that the theory of the ryotwar settlement, as well as the practical execution of it, is to take forty-five per cent. of the gross produce for the sircar, and the rest for the cultivator?—That was the estimate of the Ceded Districts made by Sir Thomas Munro.

5162. Were reductions on the field assessment in the Ceded Districts, in your opinion, necessary to give stability to the system?—The reductions which Sir Thomas Munro proposed, in his letter of the 15th of August 1807, of one-third of the survey assessment of wet lands, and one-fourth of the dry lands were, I think, indispensable to the stability of the survey assessment. That letter of Sir Thomas Munro's appears in the Appendix to the fifth Report. The survey was an assessment, the aggregate of which, for the whole district, was never realized, though a considerable proportion of the ryots in good seasons paid it without any difficulty; but to the poorer classes abatements were always necessary, and were made for poverty and failure. It was avowedly too high to be taken as a standard for any other than the ryotwar system under annual settlements, which left the collector the discretion of reducing the rents whenever they pressed too heavily.*

5163. What do you mean by the ryotwar system of annual settlements?—I mean a settlement made by the collector annually with the cultivators, in contradistinction to triennial or decennial leases to heads of villages.

5164. What do you take to have been the object of the government in the introduction of the village lease system?—The government at that time considered that the ryotwar system, as it previously existed, would not have

* Total gross produce 100

Government rent by the survey 45

Deduct 25 per cent. 11½

Government share proposed 39½

commerce and manufacture been commenced and carried to a considerable extent; and do you not attribute that commencement solely, or almost entirely, to the influence of British capital, and the assistance of British settlers?—No doubt many of the improvements here adverted to are to be ascribed to British enterprize and capital in India, such, for example, as the extension of the cultivation and manufacture of indigo. Other branches of manufacture and of trade have arisen at the different presidencies, where the inhabitants are subject to a more lenient sway, and not to so heavy and severe a system of taxation as in the interior of India; but I still maintain, that any improvement which may have arisen in consequence of the introduction of British capital and enterprize into India, is nothing in comparison with what would be the case if the natives of India were sufficiently encouraged, and proper attention paid to their cultivation and improvements.

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2800. Under an efficient, impartial, and equal administration of justice, could any danger arise from the free resort of British-born subjects to India, with the most complete liberty to settle and trade, not only with the presidencies, but with every part of that extensive country?—No danger, provided the laws in force and the administration of them gave complete protection to the native inhabitants, whose security and comforts ought, in my opinion, to be a primary consideration in this matter.

2801. Would you, under such an administration of the laws as is here supposed, consider it useful or necessary that the local government of India should, as at present, be vested with the arbitrary power of removing British-born subjects from India, without assigning any reason for such conduct, or virtually without being responsible for the injury which the party removed may suffer by such removal?—I think it quite monstrous that such an irresponsible power should be vested in the hands of any government whatever.

2802. What, in your opinion, have been the effects of the exercise of this arbitrary power, however seldom it may have been used, in preventing that extension of trade, which you consider so desirable in that country?—As long as the present law is in force, it will naturally deter many respectable individuals of talent and capital from extending their operations in India so far as they otherwise would do if they felt themselves in perfect security.

2803. Do you mean that capitalists or men of talent have been unwilling to employ their capital, or exercise their talent in situations where they were liable to be removed at a few days notice, from the place where such capital or talents were employed?—I should suppose that every reflecting mind would hesitate on the risk of employing either talents or capital, except with great caution, in a country where so severe a law as the one here alluded to was liable to be enforced.

2804. During your residence in India, could any person in the service of His Majesty, or the East-India Company, reside within the territories subject to

have been compatible with the forms and rules of judicial courts, which were about that period established, and they were of opinion that the same amount of revenue might be realized under the village system as had been realized under the ryotwar system, without the objections adverted to.

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5165. Were you ever employed as a collector under the annual ryotwar settlement?—I have already stated that I was appointed subordinate collector under Sir Thomas Munro, at the period when the annual settlements were prevailing.

5166. What was the principle on which the annual settlement was made, as compared with that of the permanent ryotwar system?—The settlements were made on the best information that was procurable from the accounts of the villages as to the actual state of cultivation, and the condition of the ryots and their former payments; a discretion being left with the collector to abate or increase as he thought proper, keeping in view the former realizations from the land: whatever the land had formerly paid, as far as could be ascertained from the village accounts and other sources of information, formed the basis of the settlement annually.

5167. Do you mean that such former realizations were considered as the maximum?—The accounts of the villages were at that time in so imperfect a state, that it was impossible always to ascertain accurately what the lands had paid; but whenever there was a dispute upon the subject, the ryots were assembled in a punchayet, and determined what should be the amount that the lands ought to pay.

5168. Were the former payments, then, the maximum, but not the minimum?—It was never the intention to exceed them designedly: they were often exceeded from imperfect information, but it was never the intention to exceed them.

5169. You stated that the assessment was never deviated from; do you mean that there were not remissions?—No; I mean that the customary rates were not knowingly exceeded.

5170. When you say annual assessment, do you mean an annual adjustment with each ryot; or that a fresh assessment was annually made of the amount which each ryot should pay?—Anterior to the survey, there was a constant variation in the settlement, in proportion as the ryot took more or less land.

5171. In making the first assessment for the Company, did you ascertain the payments that had been made under the native princes for any number of years previous, and on that endeavour to make your annual settlement?—Previous to the survey, the former payments during a long course of years, as far as they could be ascertained, formed the groundwork.

5172. Under the annual system, is it the principle to obtain as much rent as it shall appear to the collector that the ryots are able to pay?—Not so

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to the Bombay presidency without a license from the Company, or in fact, did you ever know any person residing without such license?—Those licenses were always, and are still deemed necessary; and the orders of the Court of Directors, during the time I was in India, were generally very strict in causing them to be enforced; but I believe there are instances where gentlemen have resided in India perfectly unmolested, without being possessed of such license.

2805. In your time have you known any person sent from India to England because they have not those licenses?—There are instances in which persons have been sent from India by the governments abroad, because they did not possess the licenses required by the Court of Directors, and numerous other instances where settlers have been arbitrarily deported on the plea of their acts or conduct having proved offensive to the local governments.

2806. You have expressed an opinion favourable to the resort of British subjects to India; what benefit do you consider would accrue to the natives of India from the residence among them under the same equal laws of such British subjects in the interior, as well as at the presidencies?—Provided the natives were fully protected against violence and wrong they would be benefited by the expenditure among them of European capital; by social intercourse with Europeans, by acquiring their arts and skilful practices, and by imbibing their knowledge, and consequently a more extensive cultivation of their moral powers.

2807. Can you name any one improvement which has been made by the natives in your time that cannot fairly be traced to the example, or influence, of Europeans?—I have already observed, that the improvements introduced by Europeans are limited, in comparison with what might be the case if the natives of India were sufficiently encouraged; but in their present state of extreme poverty, and almost slavery, it is not reasonable to expect that any great improvements can flow from them. One of the greatest improvements, however, which the mind of man is susceptible of, has been made by natives from their own exclusive exertions. Their acquirement of knowledge, and particularly of the English language and English literature, of which there are many examples in Bengal, Madras, and Bombay, at the present moment, is quite astonishing. It may even be questioned whether so great a progress in the attainment of knowledge has ever been made under like circumstances in any of the countries of Europe.

2808. Is not that limited to those who have had particular intercourse with Europeans?—The examples to which I allude, are among natives that have kept up an uninterrupted intercourse certainly with Europeans, from residing at the different presidencies of India; but the exertions of those with whom I am acquainted, have been altogether independent of European assistance, the natives to whom I allude being perfectly self-taught. I would beg leave here to add, that if it be meant to imply, as some of the most distinguished literary authorities in this country have asserted, that the natives
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much as he is able to pay, but so far as he is able to pay with reference to the former realization of the land. If it was ascertained that the land yielded a certain sum in former years, that sum was not exceeded, unless the cultivator took fresh land.

5173. Whenever new land was introduced to cultivation, or the cultivation of the land improved, so that the produce was increased, was not reference made to that in the amount of rent to be demanded from him?—I have no doubt that in some cases the rent was increased in proportion, previously to the conclusion of the survey.

5174. In that case could a cultivator, in applying his capital to improve the land, depend on holding the land at the rent fixed this year, for any number of years subsequent?—If a cultivator took a piece of waste land that had not been for some time previously cultivated, he would obtain a cowle, entitling him to hold the land for three, or four, or five, or six, or seven years, at a quit-rent, till he brought it into full and complete cultivation; it would then be subject to the full rate of assessment.

5175. You are aware that the land may be made to produce heavier crops by the application of improved methods of cultivation; and when such improved cultivation took place, did not the collector consider himself entitled to a share of the gross produce?—It was certainly not the principle of the ryotwar system, as administered by Sir Thomas Munro, to tax improvements in that way; but that it was occasionally done I have no doubt. In administering the affairs of a large province, it is impossible to avoid error sometimes.

5176. What success attended the system of village management in the Bellary division of the Ceded Districts under your management?—In the Bellary division of the Ceded Districts, the system of village leases has been introduced, which I conceive to have failed entirely. The first lease was a triennial lease, and on the expiration of that a decennial lease was concluded, and I think both were failures.

5177. To what do you attribute the failure of the triennial and decennial leases?—To a great variety of causes. The system of village leases I consider was totally unsuitable to the condition of people in the Ceded Districts. It may succeed very well in districts where the system of joint tenure or cultivation in shares has always prevailed, provided the rent be made extremely low, to enable the renter to indemnify himself for the losses of bad seasons by the profits of good. It failed in the Ceded Districts, because there was no such joint responsibility on the part of the ryots, and because it attempted to exact, indiscriminately, nearly the same revenue in all years, good and bad, as had been realized under an assessment calculated for annual settlements, in which discretionary remissions had always been made by the collector. The exaction by the leaseholders of the maximum rent, added to extra assessments, produced a great deterioration of the resources of the country.

of India are incapable of improvement, I must protest against the doctrine, as being, in my humble opinion, an unjust and libellous judgment passed on the whole community. We have at this moment an illustrious example in this country of what native Indians can attain by their own unaided exertions. Let it also be recollected that in many branches of art their skill is absolutely unrivalled. Several of their fabrics, such as muslins, shawls, embroidered silks, handkerchiefs, &c., together with pieces of workmanship in gold, silver, and ivory, have never yet been equalled by British artists. Their architecture, though peculiar, is of a superior order, and in the construction of great public buildings they have exerted powers of moving and elevating large masses which are unknown to European architects. Agriculture also made its first progress, and attained considerable perfection in the East, which in this respect, set the example to Europe. In these, and many other arts connected with the comforts and conveniences of life, the natives of India have made great progress in some, and attained perfection in others, without being in the smallest degree indebted to European patterns or example. I do not mean to say that their progress or advancement has been a hundredth part so great or so rapid as that of Europeans in the arts of life generally, but I do not think it fair to compare their present backward state with the advancement made by Europeans, considering the very different circumstances in which both are respectively placed. The nature of the governments under which the Indians have languished for so many centuries is sufficient to account for their stationary state; and no argument can hence be drawn as to their natural incapacity. Many persons, I apprehend, who now contend for the freest introduction of Europeans into India, to operate as a stimulus to native improvement, seem to forget the vast difference of character existing in the two parties; that, consequently, to overrun India with Europeans before a better system of protection shall have been provided, would be to mingle a race of over-bearing conquerors with submissive slaves, and that oppression and injustice would be the inevitable result. Until the natives of India are raised (and I am sure they can be so raised with great advantage) to participate largely and actively in the government of themselves, I feel persuaded that India never will be justly or securely ruled under any European sovereignty.

2809. Can you state any improvements which have been introduced by the governments of India?—The governments of India at each of the presidencies have, very much to their credit, encouraged the improvement of the natives by patronizing and supporting institutions for learning and the acquirement of knowledge. They have also attempted to introduce improvements in agriculture and in manufactures; but in those latter attempts Government, by stepping out of their own sphere, have generally, if not invariably, failed.

2810. What attempts do you immediately allude to in which they have failed?—In the cultivation, for example, of sun-hemp, as well in Bengal as on the western side of India. I believe their attempts to cultivate indigo on their own account have been equally unsuccessful.

2811. Was

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country. The renter, to enable the ryots to thrive, must have made all the allowances that the ryotwar collector had previously made in bad seasons, but the renters had no capital to enable them to make those abatements, nor prudence nor management to lay by the surplus of one year to supply the deficiencies of another. The cultivation of the Ceded Districts was exceedingly unequal. The country is thinly inhabited, and there is a vast extent of government as well as enām land. This furnished to the renters of some villages the means of holding out the allurements of cheap land to the tenants of their neighbours, kept up a restless spirit of emigration, and retarded improvement, by attracting the population from the fertile to the inferior soils, and thereby diminishing the capital stock of the country. Partial improvements, where they took place from this cause, were made at the expense of the prosperity of other villages, and the gain all went to the renters of villages thus favourably situated, whilst almost all the loss fell upon the government. Under this system, the survey rates which had been established by Sir Thomas Munro were in general abandoned, and many flourishing villages fell to decay. The moral effects were also extremely bad; many of the more substantial renters were placed in confinement, and lost all respect for the government. The revenue servants who had been previously trained under the ryotwar system were also spoiled, from having little to do, and being no longer employed in the details of the revenue in which they had formerly been engaged. All these evils were aggravated by private feuds and dissensions of the renters themselves, involving them in expensive lawsuits in the courts, occasioning the villages to be split into parties, and impeding the cultivation. The lease system in Bellary was in consequence discontinued in a great part of the country long before the expiration of the decennial lease, and the ryotwar system was reverted to when those leases ceased, under great disadvantages. Great confusion had been introduced by the renting system. The country had been divided into so many little estates, each independent, and each holder endeavouring to profit, by enticing over the ryots of his neighbours. The rent was no longer regulated on any fixed principle, but was settled by competition, which probably would be a very good guide in England, but is a very bad guide in India. This competition proved extremely injurious, for it sacrificed all rights of property, by giving cultivated lands to the highest bidder, and ousting old tenants from their hereditary occupancy, whilst it distributed waste lands to new settlers for almost nothing, thereby occasioning ruin to those villages from which they had deserted under the village settlement.

5173. On the average how many years of the decennial engagement were continued before the ryotwar was resumed?—I think that a considerable portion of the leases continued for about six or seven years only. In some parts of the districts the leases were continued to the end of the decennial term. In all those cases in which renters, not in default, chose to retain them. With the permission of the Committee, I will read an extract from

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an answer which I gave to Mr. Elphinstone, regarding village leases. It was a private communication, but it was given at a time when the evils of village lease system were fresh in my recollection. The queries put to me upon that occasion were, "How far is the system of leasing to the highest bidders expedient to discover the resources of new countries?" My answer was, "This mode of discovering the resources renders large establishments of revenue servants unnecessary, and saves the collector from all the trouble of making local scrutinies; but it cannot be adopted without superseding the authority of potails, who are the natural and rightful managers of villages, and opening a door to all sort of exactions which are almost invariably committed by strangers, who having only a temporary interest in the management, look only to present profits, without regard to future consequences." The next query was, "Do you approve of leases to potails in cases where there are fixed beegotees, that is, money-rents?" My answer was, "Of the two evils, it is better to give the lease to the potails; but I have seen so many evils arise from this system of village rents in the Ceded Districts, that I am by no means an advocate for it. There the rents were fixed by survey before the introduction of the lease, and they may therefore be supposed to be at least as uniform and as well suited to the quality of the lands, as they are under the beegotee plan. The utmost care and vigilance, however, on the part of the collector, could not counteract the abuses incident to the lease system. The rapacity of renters on the one hand, and the combinations of the ryots to reduce their rents on the other, occasioned numerous failures, and the revenue during the first years of the decennial lease fell below the previous average of seven years' collections, though the seasons were tolerably favourable. The subsequent defalcations, though I cannot specify the exact amount, have been I believe still much greater. The renters possessed no capital, and as they depended entirely upon the punctuality of the payments of their ryots, the first general failure of crops proved the ruin of both. This result happened not only in villages whose rents were perhaps too high for such a system, but also in villages where the assessment was fixed on a reduced and most moderate scale with reference to former collections. The Moamuludars being withdrawn from any direct interference with the details of the settlement of the villages, could not always tell whether the distress was real or fictitious. The collector pressed them for their district balances. They pressed the renters, and the renters squeezed the ryots. The effects were lamentably visible in the course of a short period, in the bankruptcy of many leaseholders, and in the desolation of villages which had, under the ryotwar system, risen to the utmost pitch of prosperity. Had these ruinous consequences been confined to villages in which the failure arose from misfortune only, a judicious lenity and forbearance, notwithstanding the difficulty of ascertaining to whom indulgence might safely be extended, might in some degree have alleviated the evil, but they as often ensued from the improvidence and extravagance of renters, who, anticipating the resources, spent them in a marriage,

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2817. Are the inhabitants of Calcutta, Madras, and Bombay, living under the protection of the King's courts, and in daily intercourse with Europeans, equal or superior in education and intelligence to the mass of British native subjects living in the provinces under the exclusive government of the East-India Company?—They are, generally speaking, a better educated race than the inhabitants of the interior, but this I ascribe to their living in much more comfortable circumstances than the inhabitants of the interior, and coming more habitually into contact with European refinement. Although the poverty of the interior unhappily consigns its inhabitants to a state of confirmed degradation, in which improvement, either of their circumstances or moral habits, seems equally hopeless, there are still to be found in every part of India numerous individuals, whose natural talents and capacity are fully equal to the inhabitants of the Presidencies.

2818. Had the commerce of Calcutta and Bombay been left as formerly, exclusively to the East-India Company and to the natives, what in your opinion would at this day have been the condition of the natives of those places?—They would have remained, I conceive, as stationary, or perhaps declining, as all countries invariably do which are subject to arbitrary governments and monopolies.

2819. Then the present improved state you attribute principally to the opening of the trade with that country?—I do.

2820. Have such of the natives of Bombay as came under your observation any repugnance to commercial pursuits, or any indisposition to engage in external and internal trade, other than what may arise from the want of their having sufficient means?—Certainly no repugnance; they are, on the contrary, like all the natives of India I am acquainted with, very much given to commercial and industrious pursuits, and exceedingly well qualified to succeed in them.

2821. Have they, to your knowledge, evinced any antipathy towards the consumption of the useful staple commodities of Great Britain, or of any other country?—So far from any antipathy to the use of European commodities, those articles are very much coveted in every part of India.

2822. To what circumstances do you mainly consider it is owing, the slight foreign and internal commerce of India in comparison with the extent and fertility of the country, and the vast population it possesses?—I ascribe it, and always have done, to the extreme poverty of the great mass of the population, chiefly occasioned by the pressure of our fiscal institutions.

2823. Are you aware that, computing the population of British India with the rate of taxation in that country, the amount per head exacted by the government there does not exceed five or six shillings sterling for each person; and if so, do you consider that can produce the poverty of which you complain?—Taking the revenue at £23,000,000, and the population at 80,000,000 to 100,000,000, this would not be deemed a large or disproportionate

riage, or in satisfying the claims of their creditors, trusting to future extor-
 tions to make good their payments to government. Many also fell into
 arrears, owing to the dissensions which took place amongst the partners in
 the lease, whose collisions broke the village into parties and factions, which
 proved as injurious to the welfare of the community as it was ultimately
 detrimental to the revenue. In a word, the evils of the lease system I con-
 sider irrefragable. Its advantages I never could perceive, except that it
 saved trouble to the revenue officers, by keeping the ryots out of sight in a
 state of dependence upon the tender mercies of renters, and that it dimi-
 nished in some degree the charges of establishments. It was, however, in
 the end, a very mistaken economy, which did not in any perceptible degree
 counterbalance the losses which flowed from the system." I take the
 liberty of reading this extract, as being illustrative of my sentiments at a
 time when the village lease system was fresh in my recollection. It is now
 more than twelve years since I quitted the Bellary division, and since that
 time I have not been much engaged with any details of revenue. My
 situation in the Deccan was one of general superintendence, and my recol-
 lection of details is not now so perfect as it formerly was.

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5179. Have you had any reason to alter the opinion you then expressed?
 —Not in the least; quite the contrary.

5180. Is not one of the objections which you have enumerated to the
 village lease system common in a greater or less degree to every description
 of revenue assessment, namely, that it is calculated upon an average pro-
 duce, and that consequently the cultivator has in one season more to provide
 to meet the demand upon him than in another?—I fancy that it applies
 almost as much to the cultivator as it does to the leaseholder; I believe
 there is very little providence, in general, on the part of the ryots.

5181. Was any security required from the renter of a village at the time
 he undertook?—Yes, the security of a neighbouring renter was commonly
 taken; it was more a nominal than a real security.

5182. Were you able generally, when any village renter fell in arrear, to
 recover from his sureties the deficiencies to which he was liable?—In some
 cases the balance was recovered from his sureties, in other cases it was not
 recovered.

5183. You have stated that though competition in the renting of land is
 a very desirable thing in England, it is by no means so in India; what are
 your reasons for that opinion?—Every occupier in India has, if not a pro-
 prietary right in the soil, a right of occupancy, and he is not liable to be
 ousted because another bids higher.

5184. Does it in fact frequently occur that there are vacant lands to be
 disposed of?—In the Ceded Districts there are several millions of acres of
 uncultivated land.

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tionate revenue from a wealthy people living in a comfortable state ; but when exacted from people who are left, after payment of a revenue based on one half the gross produce of the soil, and the extortion of perhaps as much again by the myriads of officers employed in collecting it, but a bare sufficiency to save themselves and families from famine, it becomes a burden almost too great to be borne.

2824. Can you favour the Committee with a brief view of the nature, extent, number, and pressure of the Indian taxes which contribute, in reference to their influence, upon the commerce and prosperity of the country ? —I have endeavoured to compress into as small a compass as I could an intelligible view of the existing system of Indian revenue, but I could not do this in less than two volumes ; and as it would be impossible to transfer their contents into an examination of this nature, I beg the Committee will allow me to refer them to those volumes for the best information I can give on the subject.

2825. Are you not able to point out a few of those which principally restrict and affect the commerce of the country to which the allusion principally was ?—Where the revenue is collected as it is in India on the principle of the government being entitled to one half of the gross produce of the soil, and vast numbers of officers, whose acts it is impossible to control, are also employed in the realization of this revenue, it is a moral impossibility for any people whatever to live, or prosper, so as to admit of a very extensive commercial intercourse being carried on with them.

2826. Are those observations which you have made the result of your own personal experience, or do you state them as acquired from others ?—The result of my own personal experience in the provinces in which I have served in India, coupled with official information as regards the other districts of India, taken from a very valuable collection of papers printed by the Court of Directors in four folio volumes, and other official and authentic sources.

2827. Is the revenue levied on fruit-trees, betel, pepper, sugar-cane, indigo, and similar productions, a fixed and moderate land-tax, or in the nature of an excise in those parts of the territories of Bombay and Madras, with which you are acquainted ?—It is anything but a moderate tax ; for, as I have shown in the above-mentioned work, it is in all cases exorbitant, and, strange to say, in some instances even exceeds the gross produce of the lands or plantations on which it is levied.

2828. Do you consider it practicable, under such a system as you have stated, to manufacture those articles for foreign exportation, and competition with other countries ?—It may be done in lands not subject to the aforementioned exorbitant tax. It may also be the case in Bengal, where the permanent settlement has been enforced for many years, and where its original ruinous pressure is no longer so severely felt ; but it would be quite impossible in lands, for example, subject to the Ryotwar tax, or from lands where

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5185. The question refers to cultivated land; are there not constant changes?—There are.

5186. Will you state your reasons for thinking that, in supplying occupiers upon the occasion of such vacancies, competition is not desirable?—When the land is unoccupied there is no question that competition would then be useful; but if competition is employed to oust ryots from their hereditary occupancy because other persons bid higher for the land, all rights of property are then sacrificed and destroyed.

5187. In speaking of the classification of lands on the survey, are you aware that Colonel Munro directed to class the land, not merely by its intrinsic quality, but also by its actual state of cultivation; “Thus, if two adjoining fields of the same quality with respect to soil are held, the one by a poor the other by a substantial ryot, you will not enter them in the same class, but you will place the field of a poor ryot in such lower one as its unimproved state may render necessary.” Are you aware of that instruction, and was that carried into effect in the classification?—Consideration certainly was always had to the actual state of the cultivation of the land: that formed a part of the instructions of Sir Thomas Munro.

5188. Is not the land-tax, so exacted, a tax not on its fertility but in reality upon the means of the cultivator employed on the land?—I think that was a defective part of the Survey Instructions of Sir Thomas Munro, which in framing some Survey Instructions in the Deccan afterwards I was anxious to avoid; but it must be recollected that the lands were not in an improved state of culture at the time the survey was formed, and it was necessary to have some data to go upon, and on which to proceed thereafter.

5189. Were the ryots in the Ceded Districts consulted in the assessment fixed upon their lands under the survey; were they permitted to state their objections to such assessment; and were the assessments modified when such objections were found to be valid?—The ryots were always consulted on those occasions; and whenever there was any dispute as to the amount of the survey assessment, it was either settled by a punchayet of the ryots themselves of that village, or the ryots of a neighbouring village were summoned to assist and to decide upon the point. In point of fact, it was mainly through the instrumentality of the ryots that the survey assessment was formed.

5190. You have stated that there were frequent deficiencies in the produce of the tax on villages; was not part of Sir Thomas Munro's instructions to levy an extra assessment of ten per cent. on a village, to make good such deficiencies?—Yes, that formed part of Sir Thomas Munro's instructions. Extra assessments, where money-rents are paid, are quite consistent with the practice of the country. They are in use all over India, but they were rarely resorted to by Sir Thomas Munro. They furnish almost the only check against unfounded

where from 45 to 50 per cent. of the gross produce is actually levied as revenue. 19 July 1881.

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2829. You have stated that the tax is equal in some cases to the produce of the land; has land then a saleable value in any part of India where the taxes take away the whole of this produce?—I am personally acquainted with instances where the revenue assessed upon certain lands has actually exceeded the gross produce. I have also known other lands in India where a revenue has been assessed as being specifically derivable from rice-lands, plantations of fruit-trees, pepper vines, and other articles, and each portion particularly described; but on comparing the assessment with the lands in question, those very lands have been found to have been nothing but jungle within the memory of man. Land however has a saleable value in those parts of India where our revenue systems admit of some rent being derived from the land by the landholder or proprietor; but when the whole rent is absorbed by the government tax or revenue, as under Ryotwar or Aumaunee management, the land is of course destitute of saleable value.

2830. Is the soil and climate in Bombay and Madras suited for the growth of sugar and indigo?—Yes.

2831. Are there any of those articles raised for exportation?—Indigo is raised in the Madras provinces for exportation, and brought to this country.

2832. Is there any in Bombay?—There was none in my time in Bombay.

2833. Do you consider the monopoly of salt throughout British India, the monopoly of opium, and the monopoly of tobacco in some of the Madras provinces, prejudicial or otherwise to the interests of commerce?—I consider all monopolies bad; I know of nothing resulting from them but unmixed evil, considered in their effects on the community at large.

2834. Do you consider that the industry of those parts of India, where those monopolies exist, would be promoted by their abolition or throwing the respective branches of trade open to the inhabitants generally?—The more open and free trade and manufactures can be made, the more we know, from experience, they will flourish.

2835. You are aware that they are sources of revenue to a considerable extent, are you able, from your knowledge to state whether, if the monopolies were removed, they could be made productive to the revenue to the same extent?—It has generally been found that revenue has in the long run increased from the abolition of monopolies, or of prohibitive or protective duties. In the instances alluded to in India it is quite clear that a certain sum of revenue is indispensably necessary for the support of the different establishments kept up in that country, and it would therefore be indispensably necessary that every reduction of the different branches of taxation now in force should, as I have explained on a former occasion, be gradually and cautiously reformed.

unfounded pleas for remission; because those who have to pay will not allow the false pretences of others to be the means of burthening themselves. Where the standard of assessment has been greatly lowered, as in Sir Thomas Munro's proposed reduction of the survey-rates, this extra assessment would be considered no hardship, seeing that it would be only a repayment occasionally of a portion of the remission previously granted. Under the village lease system (and I have no doubt under the zemindary system also) a joint responsibility has always been enforced without *any limit whatever*, although the government and the officers of the revenue are not probably always aware of it; and therefore I do not see why they should not be levied to a *limited extent*, as proposed under the ryotwar system.

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5191. Is not the assessment so levied an actual tax on successful and industrious culture as compared with slothful and negligent culture?—Undoubtedly it has that effect in some degree.

5192. Does not such a principle take away from that a desire to improve land, which it is the object of the government to produce?—Wherever that joint responsibility exists, it is, perhaps, rather a stimulus to industry, because it unquestionably becomes the interest of all the ryots to see that there is not that negligent culture which shall have the effect of throwing a part of the burden upon themselves.

5193. Will you explain in what manner that joint responsibility is shown; can an industrious man obtain from the slothful and bad cultivator any repayment or redress for the assessment which he pays?—I think it is probable that he never would recover it; but where there is that joint responsibility, the influence of the principal inhabitants will be used to prevent any negligent cultivator from throwing any part of the burden upon the community.

5194. Does it then become the interest of the whole community to prevent individual negligence?—It does. I consider that in all countries where revenue is wanted by the government, it must be had from those who can pay, not from those who cannot. I am afraid that the principle of extra-assessments prevails in all revenue systems in India; in the ryotwar system, that has been considered a great objection, but it is mainly because it is brought into sight more than under any other system.

5195. In any settlement in India would it not be a desirable principle to adopt that each individual ryot should be secured under the law in the enjoyment of his industry, instead of being assessed as heretofore for the defaults and deficiencies of his neighbour?—Unquestionably that was the system that was strongly recommended by Sir Thomas Munro in his letter of the 15th of August 1807.

5196. Did not Colonel Munro, in 1817, after all the experience he had had, again recommend an extra assessment to be levied generally, to make good all deficiencies?—Possibly to the extent of five or ten per cent. (but of this I am

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2836. Would not such a reform, and opening those monopolies, increase the industry and promote the commerce of India?—I am firmly of opinion that it would.

2837. Are transit and market-duties frequent throughout British India; and what effect, in your opinion, is produced upon the internal trade of the country by their existence?—Transit and market-duties are collected in many parts, and, like all other taxes collected by officers not adequately controlled, great abuses are practised, and the taxes and abuses together operate very injuriously to the internal trade of the country.

2838. Is it your opinion, that in the present united state of the British possessions in India all these transit-duties should be abolished as soon as possible?—It would be a great advantage to India if they were abolished; but as long as the present revenue, judicial, and police systems continue to prevail in India, I believe it would be impossible to abolish them altogether. It was attempted in Lord Cornwallis's time, and formed a part of the system which he introduced into Bengal in the year 1793; but it was found, for many years subsequent to the introduction of that system, that natives, some in official authority, and others not so, continued to exact duties as heretofore, and from the little control which we are enabled to exercise over the acts and conduct of natives in India, I think it would be impossible, as matters now stand, to repress those abuses altogether.

2839. You have stated that the extension of commerce in India would be promoted by a reform in the administration of justice and police; will you state what, according to your inquiries and observation, is the present condition of the administration of justice and police throughout British India?—This is far too wide a field of inquiry to be compressed into an examination like the present; the Court of Directors have, much to their honour, printed several copies of two large folio volumes on this subject, for the use of their servants, which volumes contain most useful and detailed information upon those heads; a careful inspection of these volumes will, I think, convince every impartial mind, that both the police and judicial systems are ill adapted to the circumstances and habits of the people. My impression is that they may be considered a failure in every part of India; whence there is no part of the general administration more in need than this is of immediate reform.

2840. Under such a system of judicature, police, and taxation as you have described, what prospect do you think there is of the inhabitants of British India becoming either a wealthy, a prosperous, or a commercial people, and of their conducting a trade with this country commensurate with their numbers, and the extent and fertility of the country they occupy?—None whatever; the people of India are sufficiently commercial to answer the highest expectations that can be formed, or desired, in respect to trade between the two countries; but our local institutions, including the revenue system, must be greatly altered or modified before the natives can become wealthy or prosperous

29 Sept. 1831. am not certain) in cases where there had been a previous reduction of twenty-five per cent. in the survey rates of assessment; such extra assessment, if he did recommend it occasionally to be introduced, to the extent of five or ten per cent., could be no great hardship.

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5197. If it is wrong in principle, is it not erroneous, to the extent to which it went?—It may be so; but you must have some means of securing the revenue to carry on the affairs of the government.

5198. Cannot the revenue of a country be secured by a portion of the produce of the industry of each class, in just proportion, so as not to make the industrious pay for the idle?—The extra assessment was not considered an indispensable principle in Sir Thomas Munro's system.

5199. Under the ryotwar settlement that you made, was a ryot allowed to cultivate what lands he pleased, or was he obliged to take a portion both of good and bad land?—There was a considerable degree of restriction used in the Ceded Districts before the survey took place. As that restriction has been considered a very great defect in the ryotwar system under Sir Thomas Munro's management, I think it would be but fair that I should explain it in Sir Thomas Munro's own words. In a minute of the 31st December 1824, which is contained in vol. 3, Revenue Selections, p. 602, Sir Thomas Munro, in explanation of that circumstance, states that "The farm or estate of a ryot is generally composed of three parts. The first and principal part was his own farm, containing lands which he always occupied; the second, but much smaller part, containing land of inferior quality, was called his kutgootta, and was held at a low and fixed rent; and the third was his cowl land, taken from the waste of the village, which he cultivated one, two, or more years, and then threw up, according to the terms of the cowl or engagement. In all cases where the rent was raised, it was done by imposing an additional rent upon his old farm. The kutgootta and cowl lands were always exempted, both because to have imposed an additional assessment upon them would have been regarded as a breach of engagement, and would have discouraged the extension of cultivation; in some districts the addition made in one year to the rate of assessment was taken off in the next; in others it was continued, and fresh additions of five, ten, or fifteen per cent. being made at subsequent periods, and rendered permanent, the aggregate of these extra additions frequently came in time to equal or exceed the original assessment. But there is reason to believe that these additions were in a great measure nominal; that they did little more than counterbalance the fraudulent reductions made by the kurnums in the accounts of the original assessment. These extra rates were usually unwillingly paid at first; and instead, therefore, of imposing them, it was often thought more advisable to give the ryot a piece of waste land, the rent of which he was required to pay, whether he could cultivate it or not. The ruling power always endeavoured to encourage, or rather to force the extension of cultivation, as a plea for drawing a larger revenue from the country. The result of

prosperous ; if the condition of the natives, their habits, their wants, their rights, and their interests, were properly attended to, all the rest would follow as a matter of course.

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2841. Does the answer you have now given apply to the Bombay, Madras, and Bengal presidencies, where the nature of settlement varies ?—To all.

2842. Would you make any exception with respect to those parts of India where the permanent settlement has been established ?—As regards the judicial system, I think no difference exists ; it appears to me to have been a failure every where, and to be ill suited to the habits and the wants of the natives of India. The revenue system has gradually grown into improvement in Bengal, owing in a great measure to the effect produced by the opening of the trade, in occasioning increased demand for the production of lands on which an unalterable tax had been fixed. In this way I conceive that the opening of the trade to India has greatly conduced to give additional value to the lands in Bengal, and to enable those who now possess estates in that quarter to obtain a rent for them, and sometimes a high rent, where in the first instance there was none at all, or scarcely a sufficiency for a scanty subsistence.

2843. Are you able to state the provinces and parts of India where the permanent settlement exists ?—In Bengal chiefly, if not entirely. Many attempts were made to introduce it into the provinces subject to the Madras government, but in all without success ; and I do not know whether there is any province now under the Madras government in which the permanent settlement is in force.

2844. Can you state the amount of the population where the permanent settlement exists ?—The population of the Bengal provinces has been computed at somewhere between 20,000,000 and 30,000,000, I believe.

2845. You have stated that under the existing system of judicature, police and taxation, the commerce of India cannot, in your opinion, improve in a manner commensurate with the fertility and population of the country ; do you know what opinion Sir Thomas Munro expressed, with reference to the natives bearing taxation to a much greater extent than the state required, rather than, under the existing laws, make any complaint against it ?—I am aware that Sir Thomas Munro has expressed such an opinion. That opinion I conceive to be founded on the present slavish and degraded condition of the people who, in many instances, are afraid to complain. The same effect is produced, and by the very same causes, in all countries where the revenue is so exorbitant, and its exaction so rigorously enforced as it is in India. Turkey I take to be an example in point.

2846. In what manner was the Company's investment of piece-goods furnished in the Bombay presidency previous to the present charter, as far as your own personal observation enables you to state ?—In a publication of mine in 1814, I gave, in an Appendix No. 5, an abstract of a series of proceedings

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of such a system pursued for ages, has been what was to be expected, namely, that the extent of land in cultivation and paying a revenue is much too great for the agricultural stock of the country; that every ryot has more land than he can cultivate properly, and that he is only prevented from throwing up a part of it by the well-grounded fear that the difference of rent would be thrown upon the part which he retained. This is the state of cultivation generally throughout the Deccan, and it was and still is, in a great degree, that of most of the provinces which have fallen by conquest under the authority of the Madras government. The excess of land occupied by the ryots beyond what they can adequately cultivate varies in different provinces, and is estimated from one-tenth to one-third, and it may be reckoned on an average at one-fifth. It is obvious, however, that more land being occupied than could be properly cultivated, the rent must in time have adapted itself to this state of things, and become lower than it would otherwise have been, and that a fixed assessment made upon such a rent would in general be favourable to the cultivators or ryots. It is also obvious from what has been said, that if, after making such a fixed assessment, perfect freedom were given to the ryots to throw up whatever land they did not want, they would throw up one-fifth of their land, and thereby diminish the revenue in the same proportion. But this diminution could only be temporary; because as the ryots, by concentrating their agricultural stock upon a limited extent of land, would obtain a greater produce from it, their means would gradually increase, and enable them to take and cultivate again the land which they had relinquished. Under annual settlements and fluctuating assessments, they are not very anxious about throwing up land, because they know that by the custom of the country we can raise the assessment upon the remaining land according to its produce and improvement; but whenever the assessment has been fixed, they soon discover the advantage which it gives them, and endeavour to get rid of all their extra land. The liberty of doing so has been already partially granted, and must be fully granted to them; for though it will cause a temporary loss of revenue, it is a sacrifice which ought to be made for the sake of securing the great public benefit of a permanent revenue, founded upon the general establishment of private landed property; for even where the assessment is lowest, the knowledge that it may at any time be raised, hinders the land from acquiring such a value as to render it a saleable article, and we cannot communicate to it the value which it ought to possess, or render it a private property capable of being easily sold or mortgaged, unless the public assessment on every part of it be previously fixed. When it is fixed, all uncertainty is removed, and all land which is not absolutely over-assessed, soon acquires a value which is every day increased by improvement made in consequence of the certainty of reaping all the profit arising from them."

5200. The evils of that system having been so clearly pointed out by Sir Thomas Munro, have they been up to the present time corrected?—Those evils were continued for several years in the Ceded Districts during his management, owing to the circumstance of the government being engaged

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ceedings connected with the provision of the Company's investment at Surat, taken from the diary of that commercial Factory, and calculated to show by positive facts the necessary consequences of the Company, as sovereigns, interfering in the internal trade of their own dominions. To this publication I would now beg leave to refer the Committee, inasmuch as the facts therein stated are all official, taken from the most authentic sources, and being certified by the most zealous advocates of the system, viz. the commercial servants themselves, are consequently entitled to greater consideration and weight. The Committee will there find that the Surat investment was provided under the most rigorous and oppressive system of coercion; that the weavers were compelled to enter into engagements, and to work for the Company contrary to their own interests, and of course to their own inclination, choosing in some instances to pay a heavy fine rather than be compelled so to work; that they could get better prices from Dutch, Portuguese, French, and Arab merchants, for inferior goods than the Company paid them for standards, or superior goods; that this led to constant contests and quarrels between the agents of the foreign factories and the Company's commercial resident, and to evasion and smuggling on the part of the weavers, for which on detection they were subject to severe and exemplary punishment. That the object of the commercial resident was, as he himself observed, to establish and maintain that complete monopoly which the Company had so sanguinely in view of the whole of the piece-goods trade of this settlement at reduced or prescribed prices; that in the prosecution of this object compulsory punishments were carried to such a height as to induce several weavers to quit the possession, to prevent which, they were not allowed to enlist as sepoys in the regular battalions, or even on one occasion to pass out of the city without permission from the English chief; that so long as the weavers were the subjects of the Nabob, who was but a tool in the hands of the British government, frequent application was made to him to punish and coerce weavers for what was called refractory conduct; and when severity was exercised towards them, the Nabob was desired to make it appear as the voluntary act of his own government, and to have no connection with the Company, or their interests, lest it should excite ill-will and complaint against the British government; that to monopolise the piece-goods trade for the Company at low rates, it was a systematic object with the resident to keep the weavers always under advance from the Company to prevent their engaging with other traders, while neighbouring princes were also prevailed on to give orders, in their districts, that the Company's merchants and brokers should have a preference to all others, and that on no account should piece-goods be sold to other persons; that subsequent to the transfer of Surat to the British government, the authority of the Adawlut, our own Court of Justice, was constantly interposed to enforce those measures. These and other acts, compulsive, oppressive and unjust to the weavers, are recorded at full length in the Surat Commercial Diary, extending in the abstract alluded to from 1796 to 1811, and no doubt the same or similar practices

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in expensive wars, and their finances being extremely embarrassed. They could not afford to make the reduction which Colonel Munro afterwards recommended, to give a value to the land, and in consequence those evils were continued whilst the ryotwar system lasted. As far as the Ceded Districts were concerned, the reductions in the survey assessment which Sir Thomas Munro proposed at the early period of 1807, have, since the discontinuance of the lease system, been carried into effect, and all restrictions have been removed.

5201. At this time are you aware that the lands so held have now acquired a value, and can be mortgaged and sold?—I do not think that they have yet acquired it, but I think they are in the course of acquiring it.

5202. Is it possible that they should acquire any value, until the right of property and the enjoyment of the produce of industry is secured to every ryot?—Certainly not; that is I think very clearly stated by Sir Thomas Munro, in the extract I have read. I conceive, that as long as the land is subject to any indefinite demand, it never can acquire a permanent value.

5203. You have stated that the community, as it were, became liable for the deficiencies; is not the natural result of that, to render the inhabitants of every village under that system, spies upon each other?—Unquestionably, they are obliged to look after their neighbours, and they must have an interest in seeing that they do not either wilfully or from negligence throw up their lands.

5204. Is that a system likely to encourage peace in villages, or to promote cultivation?—I think in villages where that joint responsibility has prevailed, the affairs have been generally extremely well managed, and perhaps much better than in other villages where that joint responsibility has not prevailed. I think it has been generally the object of government, under the system of village leases, to encourage that responsibility as much as possible.

5205. You have stated that remissions were made on deficiencies; are you not aware that remissions were only allowed in extreme cases, and that the revenue instructions are to exact from the ryot the last farthing he can pay?—I should not think that was the general tenor of the instructions; it will be necessary, in order to appreciate those instructions, that the whole of them should be read; but the rule adverted to was certainly never rigidly adhered to; on the contrary, remissions were much oftener granted when they were not required.

5206. Is it the practice now to levy the extra ten per cent. upon the villages in the ryotwar districts in the Madras territories?—It is now twelve years since I left the Madras territories, and therefore I am not quite sure what the arrangements are at this moment; but I think that by orders from the Court of Directors at home the practice was entirely discontinued.

5207. Is it not the practice in all the other districts to levy that extra assessment?—I am not aware that it is.

5208. It

practices existed elsewhere, for the system, and not the individuals, were most to blame in this matter. This, indeed, is the impression I would wish to convey to the Committee in giving these details. Although A. B. may be recorded to have committed these acts, it is but too probable that C. D. would have done the same under the same circumstances. A commercial resident, anxious to promote the Company's interests, or dreading the consequences of disappointment in completing the Company's investment, naturally desires to secure in its favour all the advantages which power can give it. To this end arbitrary and oppressive acts are secretly encouraged, or connived at, till the commission of them comes to be considered a zealous performance of official duty, and this must ever be the case where power and commercial dealings are committed to the same hands.

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2847. Have not those practices which you have now stated been done away with in most parts of India?—This was the practice when I quitted India in 1811; I have understood that sundry regulations have been passed since that period for correcting this system of providing the Company's investment, but I do not believe that those regulations ever have been or can be effectual as long as the present system of power and commerce united exists.

2848. Are you aware that the Company has not for years had any investment from Surat, or that part of the country?—I allude to other places as well as Surat, when I speak of the general mode of providing the Company's investments in India.

2849. You are aware that the Company, when they objected to the free trade being carried on, alleged that the inhabitants of India would be ruined by the want of the Company's employment in the various commercial branches where they were used?—It has been so alleged.

2850. Can you state whether the allegation that the native inhabitants of India have suffered from the loss of the Company's trade is well founded or not?—On the contrary, the community at large would considerably gain by the withdrawal of the Company from all branches of trade.

2851. Have they not in every branch where the Company have ceased to trade been comparatively free from that oppression which you have stated to have existed?—They certainly have. The Company would also be great gainers by the entire abolition of their own trade; for whilst they would gain as sovereigns, they would also be saved from those heavy losses which are inseparable from their present commercial operations.

2852. Can you state what opinion the Marquis of Wellesley expressed in an official despatch of 1804 on the subject of the Company's carrying on trade in piece goods and others, in Bengal, soon after his arrival there?—In a letter from the Governor-General in Council to the Government of Madras, dated the 19th of July 1804, Paras. 44 to 46, it is stated that the government

5208. It has been stated that coercion was employed by the revenue officers to make the ryots cultivate and pay their instalments; is that practice still continued?—I believe it is entirely discontinued.

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5209. Since what period?—I should think since the expiration of the decennial leases, and the re-introduction of the ryotwar system.

5210. In what year do you consider the ryotwar system to have been completely reinstated?—It was after I left the Madras territories, I think about the year 1820 or 1821.

5211. In the Cuddapah division of the Ceded Districts, what was the effect produced by the village lease system?—The effects produced in the Cuddapah division was very similar to those of Bellary, except that the failures were not quite so extensive there. The decennial settlement in the Cuddapah division, I think, was probably from ten to fifteen per cent. below that of Bellary with reference to former collections. Annual remissions were made to the leaseholders in Cuddapah to a much greater extent than in Bellary, and a much larger proportion of revenue was settled conditionally, that is, subject to the consideration of paying the revenue if the tanks filled, and of its being remitted in case they did not get their full supply of water. I think that in Cuddapah the settlement may have been considered to have been less a failure than in Bellary, on account of the great reduction that took place in the original lease, and the annual remissions that were made.

5212. Did you consider it as your duty, when you were a collector, to enforce the engagements entered into by the renters?—Whenever I conceived that they had collected the amount from the ryots, and had appropriated it to themselves, in that case I conceived that the engagements ought to be rigidly enforced, but in other cases, where the failure proceeded from misfortune, I did not press them.

5213. Did the collector of Cuddapah enforce those obligations?—The collector of Cuddapah, I have already stated, made much larger remissions than were made in Bellary, and therefore the settlement in Cuddapah assumed more the character of an annual settlement, than in the Bellary division.

5214. Do you know whether he annually obtained the consent of the government to make those large remissions?—I have no doubt that he could not have made them without their sanction.

5215. This being the case, should you not be disposed to consider those decennial leases, as in truth, little less than annual settlements?—I conceive that they assume very much that character, from the necessity of making constant remissions every year to a large proportion of the villages.

5216. Remissions being absolutely necessary, did the parties who cultivated the land, and paid their revenue through the renters, possess equal security under the village lease system of obtaining their individual share of the general amount remitted on entire villages, as they would have done

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under direct ryotwar settlements?—They certainly did not possess any security at all equal to the security they possessed under the ryotwar system. There was much less strictness of interference on the part of the revenue officers, both in the allotment of the land and in determining the rent to be paid, so that they could not always know how the remissions were distributed.

5217. Does it come within your knowledge, that it was the intention of the Madras government to declare the decennial leases perpetual, had the renters generally been able to fulfil their engagements?—That was the declaration at the time the leases were formed, subject to the approval of the Court of Directors at home.

5218. Is it your opinion that the renters would have been able to do so, had the government granted to the renters the abatement recommended by Sir Thomas Munro in 1807?—No, I do not think the renters would have ever been able to fulfil their engagement, even had those abatements been made.

5219. In that case would the renters have considered the original field, or the reduced assessment, the standard of their demands on the immediate occupiers and cultivators of the fields of their respective villages?—As the renters never confined themselves to the survey rates, it is not at all likely that they would have limited their demands to the reduced survey rates.

5220. What do you consider to be the advantages and disadvantages of ryotwar settlements?—I conceive the ryotwar system to possess many advantages, when ably conducted; it is alike calculated to better the condition of the cultivator, and to improve the finances of the government. It is the ancient system of the country adapted to the narrow circumstances of the Indian peasant, his rent varying with the extent of land under cultivation every year. Under this mode of management in the Ceded Districts, as administered by Sir Thomas Munro, I have myself witnessed a great increase in the population and of the capital of the country; hundreds of thousands of acres of waste were brought under tillage, and the revenue of the province gradually rose from ten to eighteen lacs of pagodas, although the land assessment was avowedly too high, as Sir Thomas Munro always acknowledged. The population increased about one-third during the period of his management. A regular census was taken of the population, and regular returns made in the year 1802, and again in the year 1806. The ryotwar possesses over other systems the advantage of enabling the collector to accommodate his settlement every year to the exigencies of the people in times of drought and failure of crops so common in India. All remissions that are made on that account go directly to the ryot himself, whilst any profit that may arise over the ordinary assessment, is entirely his own. Deductions under any other system, that is, the lease system, or the zemindary system, are usually intercepted by the farmer or middleman, and a small portion only is granted to the actual sufferers. The ryotwar system gives also a correct and complete insight into the state of the resources of the

average of years?—I could state the average for the last twenty years from one of the statements which is upon the table of the Committee if I had it before me; the amount has greatly increased of late years, and according to that statement, it now amounts, if I recollect right, to between two and three millions annually.

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2857. In what manner would you propose, under such circumstances, that the territorial revenue should be remitted?—It might be remitted in good bills without any inconvenience, and with perfect security for their payment in this country.

2858. Comparatively speaking, do you anticipate any greater difficulty in remitting revenue from India to England to meet all those payments than there now exists in remitting the Scotch and Irish revenue to the English Exchequer?—The one may be remitted with as much ease and security as the other; there is no difficulty in making remittances from one country to another where the commercial intercourse is free. This is the case between all the countries of Europe, and with America; and I can see no reason why the same facilities might not exist in the commercial intercourse between India and England.

2859. At the present time, you consider that there are certain impediments to the commerce between England and India?—I do.

2860. If the money requisite for those payments can now be remitted under those restrictions, would it not be easier to remit it if the trade was free, and carried on to a greater extent?—Certainly.

Jovis, 21^o die Julii, 1831.

SIR JAMES MACDONALD, BART. in the Chair.

THOMAS LANGTON, Esq. called in, and examined.

2861. You are a merchant at Liverpool, and have received a regular mercantile education?—I have; I have been all my life engaged in commercial pursuits.

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2862. Have you recently given particular attention to the financial accounts of the East-India Company?—I have; I was last year upon the deputation from Liverpool here, to oppose the renewal of the charter, at the time when Mr. Melvill was examined upon the 7th of June 1830; and I was requested by those with whom I acted to compare those statements with the accounts, with the view of ascertaining how far those statements might might not be implicitly relied upon.

the country, shows whether they are advancing or declining, enables the collector to remedy in time any defects, and to train up servants capable of ascertaining those defects. The system, on the other hand, whilst it never seriously affects the finances of the government by any great failure, leaves room for the revenue to increase with increased population and resources; and as I have stated, experience has shown that even a high revenue may be realized consistently with an improvement in the condition of the cultivators. The disadvantages of the system are, that owing to the great detail of accounts, a larger establishment of native servants is required to conduct it, than under the farming system, or the system of leases; and that it requires a minuteness and frequency of interference in the detail of village management, which is considered to be incompatible with the interests of the heads of villages, but more particularly so with the present code of judicial regulations. These I conceive to be in abstract the advantages and disadvantages of the system.

5221. Do you consider it necessary to the success of the ryotwar system, that a previous survey and assessment of the lands should be made?—I conceive that the only sure ground-work of a ryotwar settlement is to make a survey; without it the ryots are under a collector of little experience, left too much to the discretion of the village and district officers, a discretion which we know is often abused. A just assessment of districts possessing various capabilities can seldom be made from the imperfect information of the village accounts; but when the extent and value of every field is fixed, and the accounts methodized, every revenue officer of moderate capacity may make the settlement. It is then, as was stated by Sir Thomas Munro, nothing more than a list of fields, and a list of ryots, and the total forms the village rental; intricate and perplexing scrutinies of confused and often interpolated accounts are no longer required. The existing rights and tenures of individuals are ascertained, and endless disputes about rent and boundaries being obviated, land acquires a substantive saleable value, which it never can possess as long as the public demand is undefined. Inequalities of assessment, although they cannot be entirely prevented, are very much corrected; a register exhibiting the rights of all parties is established, and if added to this the assessment be made light, or at least all excesses curtailed, more is done towards the welfare of the people, than could be effected by any other political expedient that could be devised for their happiness. I conceive, however, that summary authority must always be left to the collector, to inquire into and redress illegal exactions on the part of the village or district officers, and to adjust disputes about rent, and to secure the revenue from misappropriation; unless invested with those powers, there is no protection for the ryots against oppression, for our courts of adawlut have been found quite incompetent to this task, when the collector has been excluded, as he has been under the lease and zemindary systems, from interference and intercourse with the immediate cultivators of the soil. This power, I consider, is equally necessary to secure the public, as well as the private

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2863. How far back have you carried your retrospect of the Company's accounts, and will you state to the Committee the grounds on which you have pursued that inquiry?—I have gone back to the year 1765, the period of the acquisition of the Dewannee, to which Mr. Melvill's preliminary observations extend. Mr. Melvill, before entering on the comparative statement of the financial results of the Company's affairs during the present charter, for which he had been called on in question 5671, considers it desirable previously to place before the Committee, in as clear a point of view as he can, the position of the Company in respect of the two branches of their affairs at the close of the last charter; and he adds, that it is obviously important that the Committee should see that the commercial capital of the Company rests on a solid basis, and that the debt of the East-India Company had its origin entirely in territorial causes. The propriety of adopting such a course, and the inutility of any inquiry into the result of the transactions since 1814, till a well ascertained point of departure had been first obtained, was so obvious, that my attention has been principally directed to examine in how far Mr. Melvill has succeeded in establishing the relative situation of the two branches at the commencement of the present charter on just and admissible grounds.

2864. Are the Committee to consider the data from which you draw the conclusions you are about to state to be taken from official documents?—Yes.

2865. As you have well considered Mr. Melvill's evidence, what is the result which you consider he brings out, and how far does it accord with that result which, after the deliberate examination you have made, you now are prepared to state?—Mr. Melvill states to the Committee, in answer to question 5671, that if the accounts had been separated previously to 1814, according to the plan laid before Parliament in 1816, a balance of £12,044,934 would have been due at the close of 1814, from the territorial to the commercial branch. It must be obvious to the Committee that from such data as are afforded by the accounts laid before Parliament by the East-India Company, no such precise balance can be deduced as would be expected between individuals responsible to each other for correct statements of their transactions; an approximative result is all that can be attempted, and when the Committee shall have heard that which I have endeavoured to deduce, and the grounds on which it is founded, it will be for them to decide whether that, or the very different one which Mr. Melvill presents, makes the nearest approach to the actual relative situation of the two branches.

2866. Can you state upon what principle Mr. Melvill has proceeded in arriving at his results?—Mr. Melvill divides the time from the first acquisition of the Dewannee to the commencement of the present charter into three stages, and he particularizes the proportion of the balance which he states to be due to the commerce incurred in each; that is, from 1765 to 1780, from 1780 to 1793, and from 1793 to 1814.

2867. With respect to the first period, how does Mr. Melvill proceed?—
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private rights. Public rights, in all countries, are most open to abuse; it is from this consideration, that even in countries where there is most liberty, exchequer and excise officers are armed with extraordinary powers. The collector, under the present regulations in the Madras provinces, has, I believe, all the powers I have mentioned, under a recent regulation, I believe of 1822; until that regulation was established the collectors had very little power to prevent exactions and abuses.

5222. Does the collector prevent the crop being removed from the ground till payment is made or security given?—It was sometimes done under the ryotwar system, but I think they very seldom had occasion to exercise that authority after the survey-rent was established.

5223. Since the survey-rent has been established, has an extra assessment of ten per cent. ever been levied?—I do not think that it ever was levied during the short period I conducted the administration of Bellary, before the lease was established. In short, it was very rarely resorted to; it was held out more in terrorem, to prevent unnecessary pleas for remission, than for any other purpose.

5224. You have stated that one of the advantages of the ryotwar system is that the collector may know the situation of the ryots, and that when a remission is made, the amount remitted goes back immediately to the cultivator; is a remission ever made if the parties are able to pay?—If the loss is inconsiderable, claims for remission are not admitted; if they were admitted, the applications for remission would be endless, and there would be no security for the revenue. It is only where the losses are heavy that the claims for remission are taken into consideration.

5225. Are the Committee to understand, that the remissions are merely made to those who are unable to pay?—Clearly, if they are unable to pay. The survey-rent having been fixed upon the ordinary state of cultivation, they ought to be able to pay one year with another, the profits of good seasons compensating for the losses of bad.

5226. In the settlements to which you allude, and which the collector can make, has he any authority ever to raise the assessment once fixed?—Never, after the survey has been once fixed.

5227. Although new lands are taken in?—New lands are surveyed and assessed like the land actually in cultivation, provided they have been in cultivation within the last fifteen or twenty years.

5228. Have any of those remissions to which you allude been made permanent remissions, or only remissions for a year, where any peculiar misfortune has taken place?—The permanent remission of twenty-five per cent., recommended by Sir Thomas Munro, has actually been made generally in the Ceded Districts. I think that took place in the year 1820.

5229. That remission being made, what proportion of the gross produce do you consider those districts now to pay as rent?—Instead of forty-five per

Concerning the first period he says in his reply : " In the year 1781 there was laid before Parliament a statement framed by a committee of East-India proprietors, for the purpose of showing what part of the Company's commercial funds had been expended in the wars which preceded the acquisition of the Dewannee : that account, which can be exhibited in detail, showed that the charge incurred by the Company in those wars, in excess of the sums afterwards derived from the territorial revenues, amounted, exclusively of any charge of interest, to £3,616,000."

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2868. Have you examined that paper, and what is its date?—I have in vain sought for such a paper amongst those presented to Parliament in 1781, but I found one, presented on the 26th and dated the 16th of May 1783, which corresponds so nearly with Mr. Melvill's description, that I have no doubt it is that he refers to, and the date in his answer is probably an error of his or the printer's.

2869. Have you found that paper and examined it?—I have consulted it in the Journal-office, it is in Press 22, Bundle 16, No. 202. The only details which it exhibits are, that on a comparison of the funds, cargoes, &c. sent to India, with the cargoes, &c. returned to England from thence, between the year 1730 and the year 1745, it appears that £1,818,440 had remained in India during those years for the maintenance of the Company's settlements in India, more than the revenues collected in the several provinces produced during that time; that upon a similar comparison between the years 1749 and 1764, £6,888,124 had remained there; that deducting from this latter sum the amount which had remained there during the former period, it leaves £5,069,684, which they infer must have been spent in the prosecution of the wars with the native princes, which terminated in the grant of the Dewannee.

2870. Do the proprietors of East-India stock claim the £5,069,684 alleged by them to have been expended from their commercial funds in those wars, as a debt due to the commerce from territory?—They merely state the amount thus expended in the wars, the success of which had led to the territorial acquisitions; stating that that sum, having been evidently supplied from the credit of the trade, ought surely to be reimbursed to the proprietors before any claim of participation had been admitted on the part of the State.

2871. Is the paper or statement of the proprietors of East-India stock alluded to accompanied by any vouchers or details, to enable you to ascertain of what items the debtor and creditor side of that account had been made up?—There are no vouchers referred to.

2872. How are the sums afterwards derived from the territorial revenue ascertained?—Another paper presented by the committee of proprietors, and which I have also obtained from the Journal-office, Press 22, Bundle 16, No. 202, and signed "Samuel Nicoll, Accountant, East-India House," shows a balance, on comparison of the goods, stores, bullion, &c. sent to India and China from 1764 to 1777, with those received from thence between 1766

per cent. which they were considered to pay before, I suppose it would be reduced to about thirty-three per cent. 29 Sept. 1831.

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5230. Do you consider that a fair estimate in all the lately ryotwar settled districts in the Deccan?—I should think about one-third of the gross produce would be about the amount that is generally taken; but it varies in different soils, in some it is somewhat higher, and in others a great deal less.

5231. In the assessment made, were lands producing such articles as betel, pepper, indigo, sugar-cane, and fruit-trees, more highly assessed than lands of the same quality bearing ordinary crops, and if so, was not the imposition in this case rather an excise than a land-tax?—Before the survey took place, lands producing betel and sugar, and the other articles adverted to, were assessed according to the practice of the country, at two or three times the ordinary rate, but the survey corrected those inequalities, and the consequence was, that this equalization, although the survey had but a short time to operate, produced a great augmentation of those valuable articles of produce.

5232. On what principle was that equalization made; was a portion of the land-tax considered as rent, and a portion as the produce of capital employed in planting and rearing those particular articles of produce which required greater expense?—It was settled as the survey rates of all other land were settled, with reference to the quality of the soil, its payments in former years, and its natural fertility.

5233. Does not that still involve the principle that capital was taxed, as well as land?—At the time the survey was made, it must have operated in some degree, no doubt, as a tax upon improvement; but after that survey had once been completed, it was then permanent, and any further improvement that took place would be the profit of the cultivator himself, from the period of the survey. Until the survey was completed, nothing in fact was fixed.

5234. Then in framing the assessment and collecting the revenue, regard was had as well to the means of the cultivator as of the land?—Yes, anterior to the survey.

5235. And in settling the payment under the survey?—In framing the settlement originally, that circumstance was no doubt taken into consideration.

5236. Would any previous survey and assessment be necessary in adjusting the collection of the revenue through zemindars of talooks, or other large divisions of country?—I should conceive it quite indispensable, in order to protect the ryot from any exaction, that the rents should be defined.

5237. In the absence of any such survey, in what manner could the courts of justice determine the equity of the demand of the zemindars from the people

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1779, of £3,622,969, which is therefore stated as the sum realized in England from the revenues.

2873. Is this paper accompanied by any vouchers or details?—There is a similar want of all reference to vouchers.

2874. Had you, at the Journal-office, access to all the papers presented on that day to the House?—I examined the whole of them; they are twenty in number, but these are the only ones which appeared to me important to the question before the Committee.

2875. Do any of the remaining seventeen purport to be vouchers or explanatory statements of the items of those you now produce?—No.

2876. Were there no Parliamentary documents of authority, to which the Company's auditor-general might have had recourse, for the purpose of proving that the commercial capital of the East-India Company rested on a solid basis, and that the debt of India had its origin entirely in territorial causes?—There were accounts prepared by the Company's accountant-general and laid before the Committees of Secrecy of the House of Commons in 1773 and 1782, which I suppose will be considered documents of higher authority than those which have just been exhibited to the Committee: from those accounts, which are plain, straight-forward, and intelligible compared with those furnished to Parliament since that period, it appears, that between 1765-6 and 1778-9 the Company's commercial branch had drawn from the territorial revenues the sum of £6,115,979; this is independent of many constant and heavy outgoings which had previously been borne by the commerce, but from which, on the grant of the Dewannee, it seems to have been instantaneously relieved.

2877. Do the documents to which you have last referred appear in the Report of the Secret Committees in 1773 and 1782?—Yes, they do.

2878. Assuming for the present, that the sum stated by the proprietors to have been drawn from the revenues was correct, will the comparison of that sum, with the amount stated by them to have been spent in the wars, give the result which Mr. Melvill has stated to the Committee?—The sum of £3,622,969, stated by the committee of proprietors as derived from the territorial revenues, when deducted from the sum of £5,069,684, the amount stated as spent in the wars, leaves only £1,446,715, and not £3,616,000, stated by Mr. Melvill as the excess of expenditure above the sums derived from the revenue.

2879. Then even assuming what you presume to be the same data, you draw a different result?—Yes.

2880. Are you able to account in any way for this difference?—It appears, from another paper presented by the committee of proprietors upon the same day, that during those fourteen years £2,169,899 had been paid into the Exchequer, in participation of the Bengal surplus revenue, in pursuance of agreements recorded in the Acts of the 7th Geo. 3, c. 57, and the 9th Geo. 3, c. 24,

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people paying the land revenue?—I do not know any means they have of determining the equity of those demands.

5238. Are you aware of any principle in the ryotwar system of revenue settlements which is incompatible with the administration of justice in the districts in which that system prevails?—I am not aware of any part of the ryotwar system which is at all incompatible, provided the collector be left with summary power to prevent exaction and abuses.

5239. What are the summary powers to which you allude?—I must beg leave to refer to the regulation passed in 1822; I consider those powers are quite necessary to prevent all those abuses which took place under the lease system, and which I at that time had no power to remedy.

5240. Should the ryots, holding directly of the government, have occasion to complain of the exactions of the revenue officers, would they possess equal facilities of bringing their complaints before the courts as if they had paid their revenue through a zemindar, or other revenue contractor?—I conceive that they would possess still greater facilities under the ryotwar system than they would under the zemindar or contractor, because the zemindar or contractor has generally such influence in the village, that he is able to suppress complaints, and to prevent the cultivator from going to court at all; he has a thousand means of rendering the ryot's situation so uncomfortable, that if he were to go to court, the probability is, he is ruined for ever afterwards.

5241. In cases of any dispute between the ryots and the local native revenue officers, would the parties complaining resort to the courts or to the superior revenue authorities in the first instance?—I should think they would always give the preference to the superior revenue authorities, because the complaints would be at once inquired into, and redress would be given immediately; whereas if they went to court they would have to wait an indefinite time before they got any investigation, and probably no redress at last. I have often known that ryots who went to court to complain, had to sell their little brass pots or their blankets, in order to enable them to purchase the stamp paper on which the complaint must be written, to be heard at all.

5242. Have the European revenue authorities ample power to punish acts of oppression which may be committed by their native district and village officers, without resorting to the established courts of justice?—They have, under the regulations lately established of 1822, full powers, which did not exist at the time I was in office.

5243. Have you practically in your own experience found that the fees required for instituting complaints on the part of the ryots have been a great bar to the obtaining justice?—I have always understood that they were considered a great grievance, and that the ryot, in fact, is generally so poor, that he is incapable of paying those fees.

5244. Is it then your opinion that in any change for the protection of the ryot, those fees should be abrogated?—Unquestionably; he ought to get justice,

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c. 24, by which the Company were allowed to remain in possession of the territories and revenues for seven years, in consideration of annual payments of £400,000 during that time. On account of these payments, the £2,169,399 before mentioned was paid at different times, and this sum added to the £1,446,715 spent in the wars, in excess of the sums afterwards derived from the territorial revenues, will make up the sum of £3,616,114, which so nearly agrees with that stated by Mr. Melvill as due from the territory to commerce, that I presume it will afford the real explanation of the difference; but as Mr. Melvill does not mention or allude to this paper, and as it appears to me that it would be unjust to claim as a debt from the territory the amount paid to Government for the permission to appropriate the surplus territorial revenue, this difference may possibly be otherwise explained by Mr. Melvill.

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2881. Have the goodness to look at the three Accounts to which you have now been referring.

[The said Accounts were read, and are as follow:]

justice, and speedy justice, the moment he complains, for if he is kept away from his village for any length of time, it is equivalent to ruin to him. 29 Sept. 1831.

5245. Then it should be not only free of expense, but it should be locally administered?—It must be summary justice. *W. Chaplin, Esq.*

5246. Do you conceive that the large authority which is vested in the European collectors, operates beneficially on the interests of the payers of the revenue, and relieves the courts of justice from much business which they could not satisfactorily decide?—I have no doubt that would be the effect of the regulation, although I have not had an opportunity of seeing its operations. That summary authority is liable no doubt to be abused, but by establishing appeals from the decision of the collector, I think that abuse may be checked.

5247. In case the cultivator is driven from the field which he tills by application for arrears, is it now the practice to follow the fugitive wherever he goes?—It is not now the practice, but by the ryotwar system, as it originally existed, that was followed up to some extent. I have already, in reading the extract from Sir Thomas Munro's minute, stated the reasons that led to the exercise of that authority.

5248. In assessing a plantation that required a number of years' growth to bring its produce to perfection, was allowance made in the assessment for the time and expense which had brought the plantation to a state of production?—It formed a part of the instructions to the surveyors that those circumstances should be taken into consideration; whether it was always done or not I cannot say with any precision, but if the assessment was considered objectionable, the ryot had always an appeal to the collector, and in that case it was usually settled by a jury. In fact the assessment was mainly formed by the ryots themselves, and therefore if it was too high they have themselves to blame for it.

Martis, 4^o die Octobris, 1831.

WILLIAM CHAPLIN, Esq. again called in, and examined.

5249. WILL you state whether in the districts settled on the ryotwar principle, disputes are less frequent in the courts than in those under the zemindary settlement?—I should imagine they would be much less frequent in the courts, because the collectors have the power of giving summary redress to the complaints of the ryots. Under the present system, by a late regulation established by Sir Thomas Munro, in 1822 I think, collectors have 4 Oct. 1831. *W. Chaplin, Esq.*

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T. Ligon, Esq.

STATEMENTS to show the Expenses of the Wars and Hostilities in India
of the Dewannees of Bengal, Bahar, and

A STATEMENT of the Cost of the Goods and Stores exported from England, of the
from Abroad, and of the Profits arising on the Sale of Europe Goods and Stores in
Cargoes for the corresponding Years, in order to show what the Returns fell short of
Disturbances in India with the native Princes, and when the East-India Company's

| From Sept. 1730 to Sept. 1745 ; 15 Years. | To the cost in England of the goods, stores, and bullion exported to India and China, the amount paid for bills of exchange drawn on the Di- rectors, and the charges paid for raising recruits &c. in the course of the fifteen years: together with the profit (amounting to about £350,000) arising from the sale of Europe goods and stores abroad..... | £. 13,152,968 |
|---|--|----------------------|
| | | £ 13,152,968 |

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have primary jurisdiction in all revenue cases. With full power to act, therefore, I apprehend that all complaints from the cultivators would come in the first instance to the collector.

5250. Are you of opinion with Sir Thomas Munro that a moderate and equal assessment of the revenue contributes essentially to secure the public tranquility?—I should conceive nothing would contribute so much to the public tranquility as a low assessment. In all those districts where a moderate assessment has obtained, and where the ryotwar system has been well conducted, I have understood that there has been less crime than in other districts.

5251. Do you conceive that the ryotwar system may be considered as having had a fair trial previous to 1820, when the reductions took place?—I conceive in the Ceded Districts it had by no means a fair trial there; it was superseded about a twelvemonth after Sir Thomas Munro's departure, by a system entirely different, and was not again revived until the year 1819 or 1820, when the reduction in the survey assessment was made according to Sir Thomas Munro's recommendation. Until that time it had no fair trial.

5252. What system of revenue management did you introduce into the Southern Mahratta country after its conquest by Sir Thomas Munro in 1819?—The ryotwar system was introduced into the Southern Mahratta country. The Mahratta managers of districts had for years past been accustomed during the Peishwa's government to the farming system, under which districts were let out to the highest bidder, and by them again underlet to other renters. The consequence was that great confusion had been introduced into the accounts of the villages, and there was considerable difficulty in making our settlements on the ryotwar plan. Those difficulties had been in a great measure surmounted, and the ryotwar system is followed up to the present day in the Southern Mahratta country with as much success as can be expected without a survey assessment.

5253. Was the same mode of management followed in the other part of the Deccan after you became commissioner?—It was.

5254. Had any revenue survey been instituted?—A survey had been begun in the Poonah collectorate, just before I left the Deccan, the detailed instructions for which survey will be found towards the close of the third volume of Revenue Selections. That survey is still in progress under the superintendence of a very able young man, Mr. Pringle, who was selected for the duty, and has since made a report on the subject, which, together with the instructions adverted to will, I think, if laid before the Committee, show that very great care and attention has been given to the subject, and that there is a promise of its being brought to a successful conclusion.

5255. What should you state in your judgment to be the best mode of improving the character and condition of the lower orders?—I conceive that almost the only thing to be done to improve the character and condition of the

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sustained out of the Company's Trading Stock, previous to the obtaining the Grants Orissa, and the Five Northern Circars, in the Year 1765.

Military Charges, &c. paid at Home, of the Bills of Exchange drawn on the Directors India and China, from 1730 to 1745, contrasted with the Invoice Cost of the returning the above Sums disbursed from hence, at a period prior to any of those Disputes or Concerns in India were confined solely to Commerce.

| | | £. |
|--|---|------------|
| From March 1732 to March 1747; 15 Years. | By the Amount of investments imported into England from India and China in the fifteen years, reckoning from the arrivals in 1732 down to those that came home in 1746; these, according to the invoices, came to | 11,384,528 |
| | By Balance, being the amount which India and China returned to England short of the sums furnished and disbursed by England for the support of the several settlements, including the profits on the outward trade, amounting to..... | 1,818,440 |
| | £ | 13,152,968 |

Note.—The £1,818,440, the Balance above, shows the amount expended in the space of fifteen years, for the maintenance of the Company's settlements in India, more than the revenues collected in the several presidencies produced during that term; equal, on the general average, to £121,229 a year.

the lower orders, is to lower the assessment and to fix the amount for each field, and to make it permanent for a long period. By taking a moderate rent, we shall contribute more to the prosperity of the people and to the suppression of crime, than by the most perfect code of regulations which can be established.

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5256. You would recommend a more speedy and economical mode of obtaining justice?—Yes, unquestionably; that is what I should recommend too; but I consider that lowering the assessment generally is quite essential.

5257. Were the agricultural classes in general in a state of great poverty?—The lower classes of ryots generally were poor, but on the whole I am not sure whether they would not bear an advantageous comparison, in point of condition, with the lower orders of peasantry in Europe. It is the fate of the lower orders in most countries, to have little more than the bare means of maintenance.

5258. Are you able to form any opinion, by comparison, of the difference of condition of those orders under the native chiefs, and under the Company's government?—Under some of the native chiefs, whose administration was good, I should say the condition of the lower orders is perhaps superior to that of the same class in some parts of the Company's territory. On the other hand, in some of the districts of the native chiefs, nothing can be worse than the condition of the lower orders.

5259. What were the parts where you considered the situation of the natives was superior?—In the Deccan; I allude to the jaghires of the Putwarden family, most of which were in a very flourishing condition, and the ryots I think in a state of great prosperity, perhaps even superior to that of the ryots of the Company's territories generally.

5260. What were the circumstances in the situation of those countries, which in your opinion led to that?—Those chiefs are entirely independent in their own lands, and possess very summary authority, with nothing to control or interfere with it. Their estates are situated in some of the very richest parts of the country, and they pay no assessment whatever to the government. The chiefs themselves reside upon their estates, and whatever revenue they derive from them is spent upon the spot. In general their administration is conducted with much efficiency, through the agency of their own relations, in whom they can place entire confidence. There exists also a great check against oppression on the part of the jaghirdars, in the facility with which the ryots can emigrate, if they choose, to the lands of other jaghirdars in the neighbourhood.

5261. Is there in the exterior appearance a greater prosperity and greater happiness in the people of those countries?—I should not say there was so much superiority in their exterior appearance, as in the fully cultivated state of their lands. I do not think the ryots, generally speaking, are in very superior circumstances.

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STATEMENTS to show the Expenses of the WARS and HOSTILITIES in *India*
of the Dewannees of Bengal, Bahar, and

A STATEMENT made out to show the Sums expended in India from the Treasury in
Years, from 1751 to 1766, to support the Wars carried on in India against the Native
expended in the space of the above fifteen Years, when the Company's Transactions

| From Sept. 1749 to Sept. 1764; 15 Years. | To the cost in England of the goods, stores, and bullion sent to India and China, the amount paid for bills of exchange drawn on the Di- rectors, and the expenses incurred for raising and transporting troops, and some other dis- bursements not relating to commerce. These several articles, including the profit, amounting to about £1,500,000, arising from the sale of Europe goods and stores abroad, came to, in the fifteen years | £. 19,051,071 |
|--|--|----------------------|
| | | £ 19,051,071 |

The average amount of the expenses incurred in the fifteen years, more than
England, and from the profits of the Outward Trade, came to £459,000

From whence deducting £121,229 for each year, being the average
Trade, which, for the

shows the amount expended to carry on the wars against the native princes,
and that sum having been evidently supplied from the credit of the trade,
tion, had been admitted on the part of the State.

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5262. In those districts, do the chiefs advance any money by the way of tuccavee?—I have not the least doubt that they do so very frequently. It is the practice all over India, for the native governments to make such advances, and I apprehend that these chiefs, whenever it is necessary, follow the practice.

5263. Was it the practice with you in those village and ryotwar settlements to make the tuccavee advances?—It was not so much under the village as the ryotwar settlement; but it was not discontinued entirely even under the village lease settlement.

5264. And that continues now?—I have not the least doubt it does.

5265. Do you make the advances by any rule proportioned to the rent to be paid, or in what way do you regulate those advances?—The amount of advances for each district depends, in some degree, on the amount of the revenue; but the chief rule by which we are guided on such occasions is, to give it where it is most wanted.

5266. Is there any limit as to the proportion to be given to the rent to be paid?—Speaking with reference to a whole district, the amount I think is regulated with reference to its revenue; but with respect to particular villages or persons, it depends a good deal upon the degree in which they may stand in need of it.

5267. Are there any instructions that the twelfth or twentieth, or the fourth or the fifth, or any certain portion of the rent shall be given?—No, I do not think there is any regulation as to the proportion.

5268. Can you state what amount of tuccavee or advances was made in a district, whether a lac of rupees, or any certain proportion of the land-tax received?—I should think it would very likely amount to from seven to ten or twelve per cent. I am speaking from imperfect recollection, but I suppose that probably would be the extent of it.

5269. Are the Committee to understand that in those districts where the ryotwar settlement has been fairly made, the pecuniary advances are still made?—I have no doubt they are. They are often necessary to enable the ryot to purchase seed or a bullock to carry on his cultivation.

5270. From your experience, what loss is sustained from making those advances, and what was the amount at the close of your administration of irrecoverable advances?—I think the amount is generally repaid without any loss. On the contrary, a ryot receiving an advance of ten rupees usually pays it back with ten or fifteen rupees of rent. I do not think the balances outstanding were ever considerable. I have no recollection of any tuccavee balances that were of considerable amount.

5271. When tuccavee was advanced, did you take any greater precaution to recover the land-tax before the crop was appropriated, than in those cases where those advances were not made?—I have no doubt the village
potail,

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sustained out of the Company's Trading Stock, previous to the obtaining the Grants Orissa, and the Five Northern Circars, in the Year 1765.—*continued.*

England, and from the Profits arising from the Outward Trade, in the space of fifteen Princes, by comparing the Demands for those fifteen Years' Warfare with the Sums were merely commercial.

| | £. | £. |
|--|--|--------------|
| From March 1751 to March 1766; 15 Years. | By the Amount returned to Eng- land from India and China in goods, in the space of fifteen years, reckoning from the cargoes which arrived in 1751 to those which ar- rived in 1765 inclusive; these se- veral investments were invoiced at | 12,043,745 |
| | Add to this the sums paid in dif- ferent years by Government in lieu of forces withdrawn from India..... | 119,202 |
| | | 12,162,947 |
| | By Balance, being the amount which India and China returned to England short of the sums furnished and disbursed by England for the support of the several settlements, including the profit arising from the sale of Europe goods and stores abroad; came to, for the fifteen years | 6,888,124 |
| | | £ 19,051,071 |

| | |
|---|------------|
| the amount of the revenues, and taken from the Treasury in } for each year; equal, for the fifteen years, to | £6,888,124 |
| amount of the commercial drain on England and its Outward } fifteen years, came to | 1,818,440 |
| The remainder | £5,069,684 |

and from the success of which wars the territorial acquisitions were acquired; ought surely to be reimbursed to the proprietors before any claim of participa-

potail, or district officer, would take every precaution to see that the crop was not made away with.

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5272. Are the precautions you allude to, the keeping guard over the possession of the crop until payment is made?—Yes, that is one of the precautions constantly made use of.

5273. Is that a practice which has been adopted in the ryotwar settlement?—It was by no means a general practice, but it was frequently resorted to as a measure of security for the revenue, where necessary. The heads of villages, if they thought a ryot likely to be in default, would no doubt take every precaution without any special orders upon the subject, the rents under ryotwar settlements being always collected by the heads of villages.

5274. Is it not now very generally the practice in such parts of India as you have been in, for the collector to direct the crops not to be removed from the ground, until the land-tax, or a certain amount of customs and land-tax are collected?—I do not think that is a general practice; it is no doubt sometimes resorted to.

5275. Do you not think it would be more consistent with sound policy and the interests of the people, to have light assessments made by law, sufficient to render those advances unnecessary?—That I have already stated to be quite essential to the prosperity of the people and the future security of the revenue, and that has always been one of the leading principles of Sir Thomas Munro's ryotwar system. I more particularly advert to his plan of the 15th August 1807, of a ryotwar settlement with the reduction that he proposed in the survey rates of assessment.

5276. Then in your view, if the reductions were made, and the assessment light, you conceive the tuccavee advances would be unnecessary?—They might be gradually dispensed with.

5277. In those territories which you state you think are more prosperous under native chiefs, than almost any part of the territories of the Company, can you state whether the taxation of those districts was lighter than the taxation on the districts of the Company?—I should conceive, generally speaking, the jaghiredars whose lands are in that flourishing condition, are indulgent to their tenants; probably more indulgent than some of our own revenue managers.

5278. Would that be from the manner in which the revenue was raised, or the same amount of the revenue drawn from equally cultivated lands?—I should think probably that the assessment was lighter, but I cannot state it to be the fact.

5279. In enforcing the collection of the revenue, did it ever come to your knowledge, that any tehsildars or native revenue officers, in the exercise of their office, made use of the ketticole or hand torture, or the stocks, to enforce payment?—That under the native government is by no means an uncommon practice; under the Company's government any such grievance certainly

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A STATEMENT to show the Amount realized in England

| | | | |
|---|--|-----------------|------------------|
| From Sept. 1764; Sept. 1778; 14 Years. | To the cost in England of the goods, stores and bullion sent to India and China; with the ex- pense of raising and transporting troops for the defence of the territories, with other charges (not relating to commerce) paid here, from the Season 1764 to the Season 1777, both included; these several heads came to | £. 9,990,439 | |
| | The bills of exchange drawn from India and China on the Direc- tors, from the Season 1765 to the Season 1778, both inclusive..... | 6,996,015 | |
| | The profits arising in fourteen years from the sale of Europe goods and stores abroad, the last year by estimate; and applied to the purchase of the investments for Europe..... | 1,140,424 | £. 18,126,878 |
| | Balance; being what the above articles are short of the amount of the investments, and is there- fore the sum realized in England from the reve- nues..... | | 3,622,969 |
| | | £ | 21,749,847 |

N. B. The sum of £3,622,969 realized from the revenues in fourteen

Errors excepted.

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certainly could never be inflicted by the authority of any European superintendent of the revenue, at least I never heard of its being done; that such abuses occasionally occurred I cannot doubt, but every exertion had been made to suppress such practices, and I think they had been nearly put an end to.

5280. Were the wells, reservoirs, watercourses, embankments, and other works of irrigation existing in the conquered territories in the Deccan, numerous on our taking possession of those countries?—In the Deccan there are very few tanks at all, but there are a great many wells, watercourses, dams for diverting water from rivers, and other sources of irrigation for the cultivation of the land. Many of them were in great decay, and several have been restored.

5281. Are you able to state whether the most remarkable of those works were traced to the Mahomedan or Hindoo government?—There were remains of several works in Candeish, which I think were originally formed by the Mohomedan government, but most of them were in a state of great dilapidation; and nearly the whole country, when we got possession of it, was desolate, covered with jungle, and so infested by tigers, that there was scarcely any part of it which could be safely inhabited.

5282. In the other parts were the same public works of considerable antiquity?—I do not think that there are any considerable remains of public works in the late Peishwa's territories of the Deccan.

5283. Do you recollect any new works of irrigation constructed by the British Government during your charge, or any old ones repaired?—There were several old ones repaired in the Deccan. In the Ceded Districts of Madras they were extremely numerous, for a great deal of the revenue there depends upon the cultivation arising from large tanks or reservoirs, and a large expenditure took place annually for the repair of those works.

5284. What effect do you consider would arise from a moderate portion of the revenues of the Deccan being applied to construct aqueducts, canals, and other means of irrigation?—I have no doubt where there is sufficient population to make those aqueducts or canals available, the cultivation might be very much extended by those means.

5285. Is it in the power of the Indian government, in the present state of their finances, to make those advances?—I think wherever they are considered necessary they are always made, with a view to the improvement and security of the revenue, and that the government is never backward in making those advances.

5286. In your reports of the state of the country, you state that the cultivators of the Deccan are much involved in debt; at what rate do they generally borrow money on the security of their crops and lands?—I think the rate varies from twelve to twenty-four per cent.

5287. You mean generally?—Yes, never I imagine under twelve per cent, and

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from the Territories and Revenues obtained in India.

| | | |
|---|---|---|
| <p>From March 1766 to March 1780; 14 Years.</p> | <p>By the amount returned to England from India and China in the space of fourteen years, reckoning from the arrivals in 1766 to the arrivals in 1779, both included: these several investments, according to their invoices, cost the sum of £21,721,654</p> <p>Received in the Season 1775 of Government, on account of the Manillas..... 28,193</p> <p>The above fourteen years' imports were brought to market, and sold in fourteen years and a half, or to their full amount.</p> | <p>£. 21,749,847</p> <p>£. 21,749,847</p> |
|---|---|---|

years and a half, is nearly equal to seven per cent. per annum on the capital.

East-India House, }
16th May 1783. }

SAMUEL NICOLL,
Accountant.

and it is sometimes twenty-four per cent. Two per cent. a month is a very common rate of interest.

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5288. For what period are those loans made?—They are generally made for a short period, and often repaid out of their crops. If the loan is made in grain, I think the interest sometimes amounts to nearly cent. per cent.

5289. Can money be borrowed in the Deccan for a period of years?—Yes, and undoubtedly it often is borrowed on the security of meeras land, or other property.

5290. That is in particular districts?—Throughout a great part of the districts meeras prevails. I except Candeish and the Southern Mahratta country, where little meeras is to be found. If the Committee refer to the 107th paragraph of my report on the Deccan, under date the 20th of August 1822, they will see a very full account of the meeras tenure.

5291. What rate of interest is required in such cases?—I should think not less than twelve per cent. generally; the interest on loans is rarely below that rate in any part of India at any time.

5292. In speaking of the debts, what proportion of cultivators do you suppose are obliged to incur debts in order to complete their crops?—I cannot state what proportion; generally speaking, I should imagine they would not be liable to incur any debts at all if the assessment were properly distributed, and remissions for losses judiciously made.

5293. You are aware that the banking system has been introduced in Bengal to a considerable extent?—In Calcutta, I believe, it has.

5294. If a good system of banking was established in other parts of India, so that money could be borrowed at eight or ten per cent. would not that have a very great effect towards the improvement of the country as well as the increase of the revenue?—Unquestionably, any system by which money could be borrowed at a low rate of interest would be advantageous to the community.

5295. Would it not be beneficial if in different parts of India establishments of that kind could be made?—There is, I believe, no part of India where establishments of that kind do not actually exist conducted by natives. In Poona, and many parts of the Deccan, there are shroffs or sahookars who have correspondents all over the country, so that in most of the large towns you can get bills of exchange on any part of India.

5296. You have stated that you conceive the reduction of the land revenue would be the best mode of improving the character and condition of the lower orders; have the goodness to state what occurs to you with a view to the amelioration of the character and condition of the superior orders?—I conceive the best way of improving the character and condition of the superior orders would be to leave open to their ambition some of the higher and more lucrative offices of the government, and to allow them to participate as much as possible in the administration of their own country; it may not

21 July 1831. AN ACCOUNT of the Monies paid Government, in consequence of Agreements with the Company concerning the Territorial Possessions in India.

T. Langton, Esq.

| | £. | s. | d. |
|--|---------|-----------|-------|
| 1768. 24th March, being the 1st half-yearly payment, per Agreement } 28th Sept. 2d ditto | 200,000 | 0 | 0 |
| 1769. 23d March 3d ditto | 200,000 | 0 | 0 |
| 28th Sept. 4th ditto | 200,000 | 0 | 0 |
| 1770. 24th March, being the 1st half-yearly payment, per further Agreement } 28th Sept. 2d ditto | 200,000 | 0 | 0 |
| 1771. 23d March 3d ditto | 200,000 | 0 | 0 |
| 28th Sept. 4th ditto | 200,000 | 0 | 0 |
| 1772. 24th March 5th ditto | 200,000 | 0 | 0 |
| 1773. Paid in exchequer bills out of loan of £1,400,000 per Act } of Parliament 1st July 1773, which was payable 29th } Sept. 1772 | 200,000 | 0 | 0 |
| Ditto, being part of the last payment per Agreement } payable 25th March 1773 | 53,779 | 3 | 5½ |
| 1775. 13th Jan., being the remainder of the last payment per } Agreement, and which was payable 25th March 1773 } | 115,619 | 14 | 9 |
| | £ | 2,169,398 | 18 2½ |

(Errors excepted.)

East-India House, }
16th May 1783. }

SAMUEL NICOLL,
Accountant.

[*These Accounts, after being printed in the Evidence, were taken out and restored to their place.*]

2882. Does it appear that in any of those accounts you have examined, there is any interest-account kept of the advances between territory and commerce, during the period to which that account relates?—None whatever; there is no distinction made between the branches, though a distinction is very easily drawn from them as prepared up to 1778-79; but no interest-account from the one branch to the other appears to have been at all entered upon during this period.

2883. Does there appear to be any interest-account previous to that period?—None whatever.

2884. May not that interest-account, therefore, if such has been kept, perhaps account for the difference which you see in the statement of Mr. Melvill?—I think at that period no distinction was made between the two branches; and the idea of an interest-account between the two was never entertained.

2885. If

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not be politic to allow them to hold the highest departments, which I conceive should always be filled by Europeans.

5297. To what departments do you allude?—The judicial and revenue; from the chief political offices I should always exclude them.

5298. Did you say the higher or the highest?—In the highest I would not recommend their employment; those I think must always be in the possession of Europeans. By permitting the natives to fill a few of the high situations, we shall gradually raise a native aristocracy of our own, who, being indebted to our government, will feel an interest in maintaining it, being sensible that they would be the first to suffer by any revolution; they would then consider the security of their own fortunes identified with the safety of the government.

5299. How do they stand affected to our government now?—The exclusion of natives from all offices and places of trust, except the subordinate ones, has a tendency to produce a deterioration of character. In this respect they sensibly feel the consequences of foreign rule, all the paths of honourable ambition being shut against them, and it may be feared that discontent will increase so that we may eventually become extremely unpopular. Indeed I conceive that a general disaffection might be expected to take place, were it not for the sense generally entertained of the good faith of the Company's government, its regard for the rights of person and property, and its strict attention to the religious customs and prejudices of its subjects. Hence, though there is little attachment to our rule, and no great interest in its stability, there is a general feeling of respect, and a thorough confidence in the integrity of the English character, which, supported by the fidelity of our native troops, forms the chief support of our tenure in India.

5300. You consider that their feelings are at present those of a conquered and degraded people?—I conceive very much so.

5301. Are you of opinion that any improvement in the circumstances of the people has yet been effected by our government?—I am afraid that the nature of our government is not calculated for much improvement. The natives enjoy under our sway more security of property and person, and they suffer less oppression and less exaction than under the native rule. They have generally, also, an incorrupt and impartial administration of justice, though I am sorry to say a very tardy and expensive one; but I conceive the degradation already adverted to tends very much to check improvement. The nature of our government is, in fact, adverse to improvement. Its officers, from the Court of Directors here, and from the Governor and Council in India, downwards, are constantly fluctuating. Partial and limited experience is no sooner acquired, than a change takes place before it can be brought into effectual operation. Plans of improvement are followed for a time, and then relinquished under a new Chairman of the Court of Directors, a new Governor-general, or a new administrator of the revenue; these frequent revolutions, by flood and field, occasion, in my opinion, a vacillation in the administration

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2885. If the amount which you deduce from the accounts laid before the Secret Committees to have been derived by the commerce from the territorial revenues be taken as the more correct, what will then appear to be the balance between the commerce and the territory at the close of the first period?—The amount of aid to the commerce from the territorial revenues during this period, drawn from these accounts, varies considerably, according as the supplies to Bencoolen and the charges of St. Helena are included in, or left out of the account; but I take them in the most favourable way for commerce, and adding to the £6,115,979, which they exhibit as the balance of aid to the commerce, the sums from the payment of which the commerce was relieved on the acquisition of the Dewannee, by their immediate transfer as a charge upon the territorial revenues, it cannot, I think, be doubted, that the Company was not only fully reimbursed for all the money spent in the wars between 1749 and 1764 (the greatest part of which had no apparent connexion with the subsequent acquisitions in Bengal), but that a large amount in excess of their outlay must have been added to their commercial funds out of the Indian territorial revenue.

2886. Are the Committee to understand, that prior to the accession of the Dewannee to the Company the expenses for maintaining Bencoolen and St. Helena were charged on the commercial branch?—There was no other source from which they could be defrayed.

2887. Then are the Committee to understand, that from the acquisition of the Dewannee, although those places had been previously kept up for the support of trade, the expenses of those establishments were immediately transferred from commerce to territory, and that in this way you consider the expenses which commerce had paid to territory have been more than repaid?—That is the ground upon which I make that remark. Those expenses had always previously been borne by the commerce; there was no other source from which they could be borne; the same may be observed of the establishments at Bombay, and even at Madras; but these also, upon the acquisition of the Dewannee, were immediately from that time, and perhaps very properly, considered as territorial charges, but they were, at the time when they occurred, an immediate relief to the commerce.

2888. Do you know the exact annual amount of the expenses for Bencoolen and St. Helena the year before they were transferred to the territorial charges?—No, I do not recollect it; but as nearly as I recollect, the whole of the charges of St. Helena from 1765 to 1788-9, amounted to about £140,000, that is, about £10,000 a year, and the supplies to Bencoolen considerably more; what the establishment there was, I have no means of judging, because it is combined with the funds supplied to that place for the purposes of trade.

2889. Have you any other observations to offer to the Committee in reference to this period?—I have with reference to the debt with which the territory is charged, and of which Mr. Melvill states it to be important that the
Committee

administration of affairs extremely injurious to the interests of the community in India.

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5302. What would be the effect, in your opinion, of allowing Europeans to resort to India, and reside there without restraint?—If totally unrestricted I should think the measure an extreme dangerous one, and one that would tend eventually to shake the whole fabric of our government. Everybody is aware of the tenacity with which the Hindoos adhere to their customs and prejudices, and I fear if Europeans of the lower, or even middling order, were unrestrictedly allowed to reside in the interior of India, those prejudices and customs would be constantly liable to be invaded.

5303. Would not India derive a great advantage from the settlement of a great number of Europeans in the interior?—I conceive if they were restricted in numbers, and under control, that the country might derive considerable advantages from the application of the skill and capital of Europeans, and that under restrictions the system of licenses might be extended.

5304. What amount and description of restrictions should you be disposed to impose on persons residing there?—I conceive they must be subject to all the laws that are in force in the interior of the country, and be under the complete control of government, with all the power it at present possesses of sending them out of the country if they deviate from the rules laid down for their guidance.

5305. You would maintain the licensing system?—I conceive that might be extended with considerable advantage, provided due control be always kept over such Europeans.

5306. Would you leave persons residing under the mere arbitrary whims of the authorities?—I conceive the most complete control on the part of the government is essentially necessary, and that the power should be exactly defined by the legislature, for unless this be done the government will be constantly involved in litigation with the supreme court at the presidency, and that there will be a frequent collision between them, which always tends to degrade the dignity of the government, and I think to destroy the respect entertained for the court itself. This I believe has been very much the effect of the collision which took place lately between the government and the supreme court in Bombay.

5307. Have you had any experience of the bad effect of settlement of Europeans, and what number of private settlers existed in the Ceded and Conquered Districts and in the Deccan?—In the Ceded and Conquered Districts I do not recollect, I think, more than one European; and in the Deccan I do not recollect any.

5308. None of the bad effects arising in those countries, arose from Europeans?—No.

5309. Are you not aware that a vast improvement has taken place in Calcutta and Bombay, where the great cause which produces this process is

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Committee should see that it had its origin entirely in territorial causes. From the accounts laid before the Committee of Secrecy in 1782, it appears that at the close of 1780, or to be more particular, on the 31st of October 1780, for Bengal, on the 30th of November 1780 for Madras, and on the 27th of May 1781 for Bombay, the Company's bond debt in India amounted to £1,790,626. It appears also that the amount by which it had been increased since 1765 was about £1,229,239; the difference therefore of £561,387 must have been its amount at the time of the acquisition of the Dewannee, when the only security to the holders of the bonds was the commercial assets of the Company. This seems scarcely consistent with Mr. Melvill's view of the debt having had its origin entirely in territorial causes. I would further observe that, admitting the Company to be entitled to appropriate to their own use the surplus territorial revenue, yet every expense attending the government and administration of the country should have been fully provided for, before the residue of the revenue could be taken as surplus; if, therefore, the Company so anticipated that surplus, that it became necessary to borrow money to defray the current expenses of the government, such loan can only be considered a commercial loan; the whole debt therefore at the close of 1780, as well that owing before the acquisition of the territory as that taken from the revenues beyond the amount of disposable surplus, and replaced by loan, must be considered as a commercial debt; and if, from that time to the close of 1828, the territory had been relieved from the payment of the interest on that debt, all other payments and receipts remaining the same, the territory would have been upwards of £52,000,000 richer; it would not have had a shilling of debt, and would have had £10,000,000 sterling more in its coffers than it has at present.

2890. By bond debt do you mean the debts bearing interest in India?—Yes.

2891. You have alluded to the 7th and 9th of Geo. 3, by which the Company were allowed to retain the possession of the revenues of India on condition of paying a certain annual sum, and you have stated, from the papers delivered in, certain payments made therefrom; do you not understand by reference to those accounts that proposals were made by the East-India Company, in the preamble of the 9th of Geo. 3, to pay the annual sum of £400,000 as part of the surplus revenues of India, for the term of five years?—It appears that they were to pay that sum as a condition for their being allowed to hold the territories and to receive the revenues.

2892. Have you been able to see those proposals alluded to in the preamble of the statute?—No.

2893. Did those payments under the 7th and 9th Geo. 3, continue to be paid for the full period that the Act required?—No; it appears that the Company were in pecuniary difficulties, and were released from completing the arrangement of the payment of this up to the termination of the five years, to which the latter Act relates; but it does not follow, because they may have been in difficulties in this country, that they did not draw from the revenues of

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in active operation?—I have no doubt that a vast improvement has taken place in Calcutta and Bombay, and I should say that I think great advantage would arise from the extended intercourse with Europeans in the interior, if due control were maintained over them.

5310. If Europeans are subject to being punished by the court of law, for any act of oppression, why should there be any removal of them?—They have not been subject to the courts of law in the interior.

5311. Supposing they were subject to all the laws, as Englishmen are in Jamaica, and foreigners are here, do you see any objection to their being allowed to go out for purposes of commerce and manufacture?—No; I see no objection, provided they are subject to the laws of the country which they inhabit.

5312. Your idea of the necessity of supporting the deportation law, arises from your idea that they would not be subject to the laws?—I am afraid not. I think the prejudices of the natives would be constantly in danger of being outraged, if there were a great influx of the lower orders of Europeans. I do not mean the better orders.

5313. Do you give that opinion from an experience of what you have seen in different parts of India?—I form that opinion from what I have read of the effect of Europeans residing in Bengal, in the earlier periods of our administration, when great abuses took place.

5314. Are you aware, whether those statements were correct or not?—I speak of them as mentioned in historical documents.

5315. Are you aware that inquiry has been made within these six years, by the Bengal government, to ascertain what had been the state of the indigo planters and other Europeans residing there?—I am aware that their residence has been beneficial, but I refer mainly to an unrestricted residence of the lower orders.

5316. Are you not aware that it could only be individuals above the lower class, who could by possibility establish themselves in any part of India?—I conceive that the lower orders would go there under very great disadvantages, for labour is so cheap they could not be employed there in great numbers.

5317. Are you aware, from your own experience, that Europeans have never settled in India as labourers?—They never have as agricultural labourers; the climate will not permit it.

5318. Can they be employed otherwise than as superintendents, either in manufactories or commerce; and if so, can such persons be otherwise than useful?—I conceive that the better orders of European settlers would undoubtedly be useful.

5319. Do you conceive that any man who is not in possession of some capital, would find it worth his while to make his way out to India on speculation?

of India the sums mentioned. I have drawn out an account from those papers presented to the Committee of Secrecy, which I think shows the aid derived by the commerce from the territory during that period.

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2894. Have you any other grounds for supposing that there was a surplus of territorial revenue in the years to which you have alluded, except the fact of the payments having been made by the Company to the Government, as described by the 7th and 9th Geo. 3.?—Those payments might lead to the inference that there had been such a surplus, but they could never have shown what the amount of that surplus was. It is from the accounts delivered in to the Committee of Secrecy from the year 1765 to 1778-9, from each Presidency, Bencoolen and St. Helena, that I have combined and condensed the whole account; from which it appears to me easily to be deduced that the amount derived from the territory to the commerce is that amount which I have stated. What became of it does not appear.

2895. Then the result of your calculations, drawn from the documents presented to the Secret Committee, leads you to the inference that the sums derived by the commerce from the territory at that time, were derived from it before all the expenses of government were paid by the territory?—I conceive that the territories of India paid the whole expenses of government, and that this sum was taken by the Company as a surplus exceeding those expenses. From the addition made to the debt it would appear, however, that they must have taken more than the surplus, since it became necessary to borrow money to make it up. There are no dates given but of the year; therefore the Company may have wanted money and taken it in January, and it may not have been ascertainable till September what their revenues or surplus were.

2896. Have you had an opportunity of looking to the charges and to the revenues of India during that period, and ascertaining whether, after deducting the charges from the revenue, there was a surplus?—Undoubtedly there was.

2897. Have you those accounts?—I have a condensation of the several papers drawn into one. In a former answer I stated that the aid derived from the territory would appear different, according as the charges of St. Helena and Bencoolen were included in it or not. In the first instance I have taken out the account as including St. Helena and Bencoolen, and below I have made out the account as it would be if confined to the three Presidencies, which would make an aid of £6,981,000. This account extends from 1765-6 to 1778-9.

2898. Do you put in this account in support of the opinion you have formed that there was an actual surplus revenue from territory during the period to which your examination alludes?—I do.

2899. And those results are drawn, as you have stated, from the official papers laid before the Committees of Secrecy of the House of Commons in 1773 and 1782?—They are.

[The witness delivered in the same, which was read as follows:]

collation?—I believe those who generally go out to India, go out without any capital at all. They go out as adventurers, they borrow money of the agency houses in Calcutta, and settle themselves in the interior.

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5320. They have capital from other sources, have they not?—Undoubtedly, there are now many men of capital; but those who go out, usually go without capital, and as I said, borrow money of the commercial houses in Calcutta.

5321. Do you not think if those Europeans having capital at the presidency, had the means of employing that capital under the agency of persons on whom they could depend in the interior, benefit would arise from the promotion of commerce?—I have no doubt of that, and I think government has of late years afforded much facility to Europeans to settle in the interior.

5322. Would you yourself proceed to India, or being in India, commence a branch of business, where, as you knew, advances would be necessary in order to collect the means of commerce, with regulations existing, giving power to any government to send you, without any appeal, home; would you, under such circumstances, embark property to any extent?—Yes, because I have great confidence that the government, subject to the control of public opinion, would not use that extreme authority unless individuals so misconducted themselves, or deviated from the orders laid down for their guidance, in such a way as to endanger the security of the government.

5323. You have alluded to accounts you have read of the misconduct of Europeans formerly; do you not know that all those Europeans alluded to were servants of the Company?—Probably they were agents of the servants of the Company, at least many of them were so I believe.

5324. Have not, since that period, our judicial establishments been much increased and improved, and is there not a much greater control over every European wherever settled?—I rather think that the judicial establishments have little control over Europeans, beyond the power of fining them to a limited extent. For any aggravated offence the individual must be tried by the supreme court at the presidency.

5325. Is not every offence committed by an European reported by the parties offended?—I dare say it would be.

5326. If then all offences are reported, and if the judges have the power of punishing them in due course of law, the same as the natives, do you in that case see any danger from increasing the number of settlers in India?—If increased to a very considerable extent, I should think some further control would be necessary on the part of government beyond the regulations.

5327. How can Europeans be established to an unlimited extent; must not the means of employing them limit their number; and do you not know that the lowest passage to India is from £50 to £60, which must be a bar to a number finding their way there?—Yes; I do not think they could find their way in any great number to India.

GENERAL STATE of Receipts and Disbursements at the several Presidencies and Settlements, extracted from the Accounts laid before the Committees of Secrecy of the House of Commons, in 1773 and 1782.

| Receipts from 1765-6 to 1778-9. | Bengal. | Madras. | Bombay. | 1764-5 to 1777-8. Bencoolen. | 1765-6 to 1770-1. St. Helena. | 1766-7 to 1779-80. China. | TOTAL. |
|--|------------|------------|-----------|------------------------------------|-------------------------------------|---------------------------------|------------|
| | £. | £. | £. | £. | £. | £. | £. |
| Revenues from Customs, Territorial Acquisitions, Nabobs, &c. . . } | 38,423,270 | 10,666,939 | 2,001,071 | 39,680 | 5,028 | — | 51,135,988 |
| Bond Debt contracted, Notes put in circulation } | 1,576,348 | 395,839 | 646,043 | 105,378 | — | 15,360 | 2,738,968 |
| Remittances from other Settlements . . } | 657,249 | 2,083,830 | 2,326,197 | 387,242 | 15,893 | 1,685,219 | 7,155,630 |
| Gains on Batta, at the Fac- tories, on Indian and on European Goods . . } | 1,167,610 | 515,865 | 667,050 | 241,710 | 7,496 | 308,220 | 2,907,951 |
| Bills of Exchange on Eng- land . . . } | 2,930,525 | 749,866 | 952,498 | 336,402 | 54,352 | 1,926,664 | 6,950,307 |
| Cargoes from Europe, at Europe price, with ten per cent. . . } | 1,737,506 | 1,593,276 | 2,090,359 | 354,065 | 76,114 | 2,921,912 | 8,773,232 |
| Total Receipts . . £ | 46,492,508 | 16,005,615 | 8,683,218 | 1,464,477 | 158,883 | 6,857,375 | 79,662,076 |
| Disbursements from 1765-6 to 1778-9. | | | | | | | |
| Charges, Civil and Mili- tary, Buildings and For- tifications, Payments, Donations, &c. . . } | 24,063,105 | 10,242,238 | 5,666,929 | 720,756 | 140,619 | — | 40,833,647 |
| Bond Debt discharged, Notes taken out of cir- culation . . . } | 2,144,439 | 343,336 | 78,437 | 15,661 | — | 28,049 | 2,609,922 |
| Remittances to other Set- tlements . . . } | 5,040,666 | 1,903,501 | 570,214 | 280,284 | 3,945 | 72,731 | 7,871,341 |
| Losses on Batta, at the Factories, on Indian and on European goods } | 1,341,096 | 430,274 | 634,031 | 178,259 | 10,796 | 132,774 | 2,727,230 |
| Cargoes to Europe, valued at prime cost . . } | 11,076,446 | 2,933,813 | 1,239,065 | 134,405 | — | 6,504,188 | 21,887,917 |
| Total Disbursements . . £ | 43,665,752 | 15,863,162 | 8,188,676 | 1,329,365 | 155,360 | 6,737,742 | 75,930,057 |

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5328. Was not the misconduct you alluded to in Europeans, before the establishment of the supreme courts in India;—Yes, it was. I believe a mayor's court only existed at that time.

5329. You suggest the expediency of extending the licensing system; have not the local government already the power of granting licenses?—I believe all the licenses issue from the Court of Directors or the Board of Control. Practically, great facilities have been granted of late years to persons desirous of going out.

5330. You would still maintain the power of deportation on the part of the government?—Yes; I think that to prevent the government being brought into contempt, the possession of that power is still essentially necessary.

5331. Do you consider that any person sent out by a merchant from England to conduct or manage any commercial affairs in that country, is of that class to be prohibited from settling there, he being subject to the laws of the country?—I think great facilities might be given to persons of that class to go out to India; I do not think persons of that description should be prohibited going out.

5332. You state that you think the government might be brought into contempt; what do you mean by bringing the government into contempt?—I allude generally to the lower orders of Europeans, who unquestionably would be in frequent collision with the natives of the country. The vast difference in their habits and customs would often give rise to broils between them, and these would lead to popular tumults, and eventually perhaps to insurrection, in which the native army would join, and there would be an end altogether of our Indian empire.

5333. From what you know of the Deccan, do you conceive it possible that an individual of dissolute habits could continue in that country for one month?—No; but we know they constantly do attempt it.

5334. The upshot of your opinion is, that if individuals were established generally in that part of the country, some increased police or magisterial power would be necessary?—I think we should require a magisterial power in every village. The lower orders look upon the natives with the greatest contempt, and usually evince that contempt by calling them "damned black fellows."

5335. What are the lower orders of whom you now speak?—I am alluding to the allowing Europeans of the lower orders to go there and colonize.

5336. You say that the lower orders are in the habit of speaking with contempt of the natives?—Europeans, even of the middling orders, on their first arrival look upon the natives with great contempt, and not unfrequently apply to them the appellation I have stated, of "damned black fellows."

5337. Are you speaking of Europeans who arrive upon the sea coast, or the

COMMERCE in Account with the Territory of India, from 1765-6 to 1778-9.

| Dr. | | Contra. | Cr. |
|---|---------------|---|---------------|
| | £. | | £. |
| To losses at the several Presidencies and Settlements, exclusive of China } | 2,594,456 | By gains at the several Presidencies and Settlements, exclusive of those in China } | 2,599,731 |
| To cargoes sent to Europe, exclusive of those from China } | 15,383,729 | By bills on England, exclusive of those drawn in China } | 5,023,643 |
| To remittances from other Settlements to China .. £1,685,219 | | By cargoes from Europe, exclusive of those to China } | 5,851,320 |
| Less, remittances from China to the Settlements } | 72,731 | By balance, aid from Territory to Commerce from 1765-6 to 1778-9 .. } | 6,115,979 |
| | 1,612,488 | | |
| | £. 19,590,673 | | £. 19,590,673 |

COMMERCE in Account with the Territory of India, from 1765-6 to 1778-9,

(confined to the Three Presidencies,)

| Dr. | | Cr. | |
|---|---------------|---|---------------|
| | £. | | £. |
| To losses at the three Presidencies .. | 2,405,401 | By gains at the three Presidencies .. | 2,350,525 |
| To cargoes sent to Europe from ditto .. | 15,249,324 | By bills drawn on England from ditto .. | 4,632,889 |
| To remittances from ditto to } £1,612,488 | | By cargoes from Europe to ditto .. | 5,421,141 |
| China } | | By balance, aid from Territory to Commerce from 1765-6 to 1778-9 .. } | 6,981,564 |
| Bencoolen.. .. . 106,958 | | | |
| St. Helena.. .. . 11,948 | | | |
| | 1,731,394 | | |
| | £. 19,386,119 | | £. 19,386,119 |

2900. Besides Bencoolen and St. Helena, had not the Company, as merchants, to defray the expenses of Bombay previous to the acquisition of the Dewannee?—Undoubtedly.

2901. Do you, in the Statement you have given in, make any allowance for the support of Bombay during the period to which this Account applies?—That is taken as a territorial charge in the Account.

2902. Then as far as the expenses of Bombay formerly charged to commerce may go, it would be in favour of your statement that the revenues had been surplus?—Undoubtedly.

2903. In the first Account you have produced, it is stated that there are £5,069,648 remaining in India; from whence did that sum arise?—The

the Europeans employed in any way in the interior?—Even the young educated civilian or officer, I am sorry to say, has, on his first arrival, similar impressions, until he becomes better acquainted with the character of the natives.

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5338. You speak of colonization, do you suppose Europeans can ever colonize there?—I do not myself think they ever can, but that it is a system which has been recommended.

5339. A free settlement, but not colonization, has been recommended?—I think that the climate will not permit colonization to a great extent.

5340. Under the difficulties of proceeding to India, and finding employment there, would anything short of encouragement on the part of the government in India accumulate any number of Europeans likely to produce insurrection?—I conceive it is hardly possible, without encouragement on the part of government, that the lower orders can do it in any great number.

5341. Does no medium present itself to your mind between a total want of control over settlers of districts, and the present arbitrary system of licenses, whereby any man's existence in the country is at the will and pleasure of the governing authorities?—I think it would be extremely difficult to devise any medium system of control.

5342. When you speak of an extension of the licensing system, do you mean that the law ought to be altered under which licenses are now granted, or that greater latitude should be used by the authorities under that law?—I think greater facilities might be given by the authorities at home in allowing Europeans to go out; I believe those facilities have been very much extended of late, and, I think, provided an European be of respectable character, and gives good security, there can be no objection to allowing him to go out to India.

5343. Are you aware of the practice which has prevailed under the Act of the 53d Geo. 3?—I can only say that I understand much less difficulty has been made in allowing them to go out within these few years since the renewal of the last charter.

5344. Do you conceive that since the expiration of the last charter persons have been permitted to go out simply on the ground stated by you in your last answer?—I do not know practically what has been the case.

5345. During those few years you mention, in which you conceive facilities to have been given of going out to India, has any amount of manufacturing capital found its way to India?—I have resided very little at any of the presidencies myself, I have generally resided in the interior, and cannot speak from any knowledge of my own.

5346. Do you conceive it would be advisable for the interest of India, that, reasonable security being offered on the part of any persons wishing to proceed, their security should be refused?—I do not think that any ill consequences

21 July 1831. committee of proprietors stated that it arose from their commercial funds ; and of course, if the amount of that expenditure is correctly given, it came from the only source they had ; that is, from their commercial funds.
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2904. What observations have you to make upon the financial period from 1780 to 1793 ?—Mr. Melvill, in reference to the period from 1780 to 1793, proceeds to say, that by an estimate framed upon the principles of separation now observed, the excess of payments by the commerce from 1780 to 1793, was £6,829,557. This is the heaviest charge brought against the territory, and the period in which it is stated to have arisen is precisely that in which the data for investigation are most scanty and imperfect. No Select Committee, I believe, was appointed to prepare the way for the Act of 1793 renewing the Company's privileges ; the Accounts for the period since the former inquiries were not called for and looked into ; and as the Accounts annually laid before Parliament were not printed till towards the close of the period, the original Accounts would be difficult to trace out, and very laborious to examine. There was published, however, in 1802, a compendium of East-India Accounts and Affairs for the use of the Directors, by an officer of the East-India House, to which, in defect of documents of higher authority, reference may be had ; they are not so complete as might be wished, but I have no doubt they were extracted from the Parliamentary Papers, and as far as they go may, I think, be relied on. But before stating the result deducible from this source, I should wish to detail some circumstances of the times in question, the tendency of which is to show what result it would be natural to expect to find. From 1765 to 1780, the period immediately preceding that into which I am about to inquire, it is admitted in their own accounts that the Company drew continually and largely from the territorial revenue in aid of their commerce. From 1792-3 to 1802-3, the eleven years immediately succeeding, the Select Committee of the House of Commons state, in their second Report, page 63, "that the revenues of India proved more than sufficient to defray every expense of administration and government, and the interest of the debts, by a sum of £3,734,445." Of the intervening twelve years, I find, on reference to a pamphlet published by Mr. Hastings immediately on his return to England in 1785, this statement, at page 36, that up to the time of his leaving India in the beginning of that year (including therefore the four first years of our period), the state of the territorial finances had continued such, notwithstanding the heavy expenses of the recent wars, as alone to support the commerce of the Company. Mr. Hastings states also in the same publication, at page 32, that the revenue of the Bengal provinces, at the time of his leaving India in the early part of that year 1785, was competent to pay a yearly tribute to the Company of a crore of rupees, applicable either for supplies to the other presidencies or to China, or to be invested in cargoes for Europe. In this prosperous state India enjoyed, I believe, a more undisturbed peace from 1785 to 1789 than it has ever been blessed with for the same length of time ; it was a period of profound peace in Europe, and there seems little cause to have existed for extraordinary expenses.

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sequences could arise from individuals being allowed to go out to India under these circumstances.

5347. Do you consider the probability of a civil or military officer vested with power, or of a private European without power offering such insults to the natives as to produce disturbance or insurrection?—A civil servant, or a military servant using any arbitrary power, would be liable to dismissal from the service, and probably would be sent home in a very summary way.

5348. Do you not know, in your experience, of disturbances having taken place from dissatisfaction with the conduct of public servants in India?—I have understood there was an insurrection in Cuttack, which arose from a circumstance of that kind.

5349. Do not you think, that the persons who went out, would be persons whose interest it would be to be on good terms with the natives?—I should conceive, clearly, that it would be so.

5350. Were there any independent chiefs in the Deccan, who exercised sovereign power in those districts?—Yes, there were; the Rajah of Sattara was one; the whole of the Putwarden family and several others.

5351. You have already described the state of the management of those districts as being good?—Yes, generally so.

5352. Have the native gentry privileges not enjoyed by those of our own provinces?—Yes, the native gentry in the Deccan have; they were exempted from the rigid operation of our rules of courts; strict forms of process were dispensed with in a great degree, and their personal attendance was not always required.

5353. They were called sirdars?—They were.

5354. Was much personal intercourse kept up between the officers of the government and those sirdars?—There was a constant interchange of visits of ceremony, and the utmost freedom of access was given to them on all occasions. They would sometimes accompany us on our hunting excursions; and I have been invited to dine even with Brahmins, when I have sat down on the ground, in the native fashion, and partaken of their entertainment of rice and vegetables, served up in plantain leaves instead of plates.

5355. Were native gentlemen in the Deccan in the habit of visiting Bombay?—Very rarely so, I think from the apprehension of coming in contact with the supreme court, either from being sued themselves for debt, or from the quarrels of their servants or others, which might involve them in suits in that court.

5356. Are the jaghires in the Deccan hereditary, or granted for life?—Almost all jaghires are granted for life only, and I think the majority of those in the Deccan were considered life grants, always excepting those of the Putwarden family.

5357. With respect to the jaghires, in the event of lapses, what course should

penses. The war with Tippoo then broke out; but it was a successful war, and the sultan, besides ceding a portion of his possessions, was charged with the expenses of the war, which were laid, I think, at £1,600,000. It appears to me therefore inconceivable, that placed between two periods of surplus revenue, a few years under the circumstances described by Mr. Hastings, and so little disturbed by untoward events, should have swallowed up, not only the whole territorial revenue and near £6,000,000. sterling of new debt, but have required moreover assistance from the commercial branch to the extent of £6,800,000. I now proceed to state the result which I deduce from the collection of accounts before alluded to. These accounts embrace the eleven years from 1781 to 1791 inclusive; the Madras accounts are deficient for the first year, which I have taken on an average of the five following; the St. Helena charges are wanting for the two first years, which I have taken on the average of the seven following. The interest on the debt is also not given for the four first years; this I have estimated on the supposition that the increase of the debt during those four years had been equable. The total revenues of Bengal, from 1781 to 1791 inclusive, were £57,242,303; of Madras, £14,384,649; of Bombay, £2,271,718; of Bencoolen, £35,938; total of the ordinary revenues, £78,934,608. The military, civil and judicial charges of Bengal for the same time were £40,385,696; of Madras, £18,555,700; of Bombay, £8,818,195; of Bencoolen and supplies to it, £664,712; the charges of St. Helena, £306,623; making a total of £68,725,926; leaving a surplus of £5,208,682; to which add the increase of debt, or money borrowed during this period, £5,747,350; making together £10,956,032. The interest on the debt (the four first years on a full estimate) cannot have exceeded £5,110,428; and if there be allowed for stores from England and sums paid in England, supposed chargeable to the territory, taken for these eleven years at the same amount at which they were charged for the year 1793, in the Appendix to the 3d and 4th Reports of 1811 and 1812, they will amount to £3,947,416, which added to the interest would make £9,057,841; leaving a surplus unaccounted for of £1,898,188; with which I should conceive the commerce ought to be charged, rather than that the territory should have become liable to any charge during this period. The preceding statement, it is true, is, in some respects, a mere estimate; but neither is Mr. Melvill's claim founded on any more certain, or at least any known data, and the estimate to which he refers the Committee has never been seen out of Leadenhall-street. In my statement, the Bencoolen supplies, including, according to the 2d Report, funds for the purchase of pepper and cultivation of spices, are charged, according to the practice of the Company, entirely to the territory, as well as the charges of St. Helena, and as the stores from England and the sums paid there have been almost invariably an increasing charge from year to year, I have in all probability allowed far too much to the commerce, in supposing these amounts to have been equal to that for 1793 in each of the preceding years. The interest on the debt is also put entirely to the territory, though a considerable part of that, I think, has been shewn to be more justly chargeable to commerce.

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should you conceive ought to be pursued?—Where they are not hereditary, I think that when they lapsed to government, they should be considered a fund for the reward of meritorious services.

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5358. The meritorious services of natives or Europeans?—Of natives.

5359. What is the effect on that portion of the Company's territories adjoining the independent chiefs, in encouraging men to commit offences, and fly to those places for refuge?—All the independent chiefs in the Deccan I allude to, are so far subordinate, that they are subject to the government; therefore, they would not be permitted to give asylum to any offenders.

5360. They are all tributary, are they not?—They are liable to be called upon for the service of a certain number of horse. I do not recollect any of them that pay tribute.

5361. None of them are allowed to harbour any persons who might be disposed to flee from British authority?—Certainly not; they are so far independent that they exercise the power of life and death on their own estates.

5362. What is your opinion as to the policy of levying the nuzzuranu?—The custom of levying the nuzzuranu is one which entirely accords with native usage, and was very much in practice in the Peishwa's time. It was a system which I myself recommended should be kept up under our government, as a legitimate source of revenue.

5363. Have the goodness to describe what it is?—The practice consists in levying a fine or fee on succession to estates of all descriptions, or on partition or adoption, the amount varying from fifty to a hundred per cent. of a year's income.

5364. Is that on the rules laid down, or arbitrary?—I stated the rules in a report I made to government, the substance of which will be found in the Revenue Selections (Vol. 3, pp. 815, 816). The principle which obtained during the Peishwa's government is shown, and I recommended certain rules, according to which the practice should be continued; but it was considered doubtful whether in a financial view the measure would be very productive to government, and I think it was finally considered that it would not prove so. The amount levied on an average of years in the Deccan was about a lac and 40,000 rupees annually, under the Peishwa's government; but a portion of that sum was derived from the jaghire lands of the Putwarden family, who, under the terms of our engagement with them, are now to be exempted from all nuzzuranu, and a considerable portion of the sum was derived from sowcars or private bankers, and may be considered a sort of legacy-tax on succession to property. The amount of the fine was quite arbitrary, and this was a defect which it was considered extremely difficult to remedy. As these items formed a considerable portion of the whole amount, government thought much benefit would not accrue from the revival of nuzzuranu.

5365. Were

21 July 1981.

The Annual Revenues and Charges of BENGAL, MADRAS, BOMBAY, and BENCŒOLEN, with the Annual Cost of

| YEAR. | BENGAL. | | | | MADRAS, in Pagodas, at 8s. | | | |
|----------|-----------------|---|--------------|-----------------------------------|--|-------------|----------------------|-----------------------------------|
| | Total Revenues. | Total Charges. Civ. Mil. Mar. and Bn. | Surplus. | Surplus in Pounds Sterling. | Revenues. | Charges. | Deficit. | Deficit in Pounds Sterling. |
| | | | | £. | | | | £. |
| 1781-2 | 4,72,64,184 | 4,48,12,786 | 24,51,398 | 245,140 | 24,88,604 | 32,43,218 | 7,54,614 | 301,846 |
| | | | | | Estimate being an average of the five following years. | | | |
| 1782-3 | 5,08,94,409 | 4,17,41,855 | 91,52,554 | 915,255 | 18,80,724 | 31,79,983 | 12,99,259 | 519,704 |
| 1783-4 | 5,25,18,059 | 4,30,48,595 | 94,69,464 | 946,946 | 27,91,269 | 42,55,598 | 14,04,329 | 585,731 |
| 1784-5 | 5,31,51,970 | 4,31,25,191 | 1,00,26,779 | 1,002,678 | 25,18,835 | 39,24,777 | 5,05,942 | 202,374 |
| 1785-6 | 4,98,91,783 | 4,00,56,341 | 92,35,442 | 923,544 | 24,20,310 | 27,38,746 | 3,18,436 | 127,374 |
| 1786-7 | 5,09,44,064 | 3,61,80,788 | 1,47,63,276 | 1,476,328 | 28,31,884 | 30,16,987 | 1,85,103 | 74,041 |
| 1787-8 | 5,20,28,527 | 3,14,67,718 | 2,05,60,809 | 2,056,081 | 30,28,216 | 36,67,833 | 6,39,617 | 255,847 |
| 1788-9 | 5,63,88,114 | 3,12,67,103 | 2,41,21,011 | 2,412,101 | 33,22,448 | 38,22,372 | 4,99,924 | 199,970 |
| 1789-90 | 5,62,06,561 | 3,12,01,486 | 2,50,05,075 | 2,500,508 | 33,72,851 | 43,47,537 | 9,74,686 | 389,874 |
| 1790-1 | 5,52,22,920 | 2,95,52,797 | 2,56,70,123 | 2,567,012 | 40,90,384 | 66,03,997 | 25,13,613 | 1,005,445 |
| 1791-2 | 4,89,12,437 | 3,08,02,298 | 1,81,10,139 | 1,811,014 | 72,16,098 | 84,88,203 | 12,72,105 | 508,842 |
| Total .. | 57,24,23,028 | 40,38,56,958 | 16,85,66,070 | 16,856,607 | 3,59,61,623 | 4,63,89,251 | 1,04,27,628 | 4,171,051 |
| 1792-3 | 5,51,27,617 | 3,42,52,997 | 2,08,74,620 | 2,087,462 | 61,90,775 | 53,50,767 | Surplus. 8,40,008 | Surplus. 336,003 |

| | |
|--|------------|
| | £. |
| Total Surplus of Bengal in the eleven Years from 1781-2 to 1791-2 inclusive..... | 16,856,607 |

| | | | |
|----------------------------|-------|-----------|----|
| | | | £. |
| Total Deficit of Madras | ditto | 4,171,051 | |
| Ditto of Bombay | ditto | 6,541,477 | |
| Ditto of Bencoolen | ditto | 628,774 | |
| Charges of St. Helena | ditto | 306,623 | |

| | |
|---|-----------|
| Net Surplus of the ordinary Revenues and Charges | 5,208,681 |
| Increase of the Debt between the end of 1780 and 1792 | 6,747,356 |

£. 10,956,032

4 Oct. 1831.

W. Chaplin, Esq.

5365. Were the fines on succession arbitrary?—Entirely arbitrary. In a political point of view I conceive that an enlarged and liberal policy requires that we should continue all jaghires, wherever they would have been continued by the late government, although they are strictly life grants; whenever they are so continued it would be perfectly justifiable, and indeed it would be considered a boon by the jaghirdars, to continue the exaction of the nuzzuranu, because the taking it is tantamount to the recognition of the hereditary claim.

5366. Do you not know that it is an almost universal remark that the territories of the jaghirdars, and other small native chieftains throughout India, are in a more flourishing state than those of the Company?—I do not know that I have observed that generally, but with reference to the Deccan I believe that to be the case.

5367. You have not visited the Bhurtpoor or Rampoor districts?—No, I have not.

5368. Are not the tehsildars or native collectors invested with perfectly summary power of inflicting corporal punishment, and have they not been relieved from the necessity of keeping any record of the case and the punishment?—I rather think, under the existing regulations of Madras, they are permitted to fine to a certain extent, and to inflict a few strokes of the rattan; but those regulations have been introduced since I left the Madras establishment.

5369. During the time you were there, was such practice allowed?—The tehsildars were never allowed of their own authority to inflict corporal punishment, but they occasionally exercised it I have no doubt.

5370. Has there been any regulation respecting that since you left India?—The regulation I allude to is in the magisterial department, it has nothing to do with their revenue duties.

5371. What number of years would you consider a sufficient trial for the ryotwar system; would not you consider that ten years from 1820 to the present time was a fair trial of its effects?—I should think, after a survey had taken place, ten years probably would be a sufficient trial how far the rates were tolerably fair and equal.

5372. Then we ought soon to be in possession of facts to enable us to judge of its efficiency?—I conceive so. I believe the ryotwar system has been generally acted upon in the Madras territory since 1820, but in the Ceded Districts it was reverted to, as I have stated in a former part of my evidence, under great disadvantages, so that the good effects anticipated from it cannot be expected to result from it so soon as they otherwise would have done.

5373. In the Deccan you have observed the existence of private property in land under the name of *peeras* or *wuttun*; is not there a considerable quantity of that property in the Deccan?—Yes, a very considerable quantity.

5374. In

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certain, there is invariably a column for buildings and fortifications, and I 21 July 1831. have no doubt that they are included in it.

T. Langton, Esq.

[The Witness delivered in an Account of the Annual Revenues, &c., and the same was read as follows :]

the Island of St. HELENA, from the Year 1781-2 to the Year 1791-2 inclusive; also the same for the Year 1792-3.

| BOMBAY, in Rupees, at 2s. 3d. | | | | BENCOOLEN, in Dollars, at 5s. | | | | Charges of St. Helena. |
|---|-------------|-------------|-----------------------------------|----------------------------------|-----------|-----------|-----------------------------------|------------------------------|
| Revenues. | Charges. | Deficit. | Deficit in Pounds Sterling. | Revenues. | Charges. | Deficit. | Deficit in Pounds Sterling. | |
| 42,26,485 | 70,87,608 | 28,61,123 | £. 321,876 | 10,377 | 2,71,941 | 2,61,564 | £. 65,391 | £. 26,153* |
| 37,79,048 | 73,60,528 | 35,81,480 | 402,916 | 10,684 | 2,67,412 | 2,56,728 | 64,182 | 26,153 |
| 14,80,342 | 84,44,810 | 69,64,468 | 783,502 | 10,672 | 2,78,376 | 2,67,704 | 66,926 | 28,196 |
| 12,33,306 | 46,45,765 | 34,12,459 | 383,901 | 10,672 | 2,54,235 | 2,43,563 | 60,891 | 25,063 |
| 11,94,183 | 47,71,024 | 35,76,841 | 402,395 | 9,000 | 2,91,986 | 2,82,986 | 70,746 | 24,261 |
| 12,04,909 | 88,04,489 | 75,99,580 | 854,953 | 10,860 | 2,67,694 | 2,56,834 | 64,208 | 25,884 |
| 11,29,976 | 47,18,509 | 35,88,533 | 403,710 | 13,212 | 2,00,174 | 1,86,962 | 46,740 | 27,359 |
| 13,52,460 | 55,96,689 | 42,44,229 | 477,476 | 15,060 | 2,09,623 | 1,94,563 | 48,641 | 28,461 |
| 14,42,505 | 50,88,231 | 36,45,726 | 410,144 | 14,331 | 2,23,694 | 2,09,363 | 52,341 | 27,390 |
| 15,03,481 | 95,01,789 | 79,98,308 | 899,810 | 21,984 | 1,88,230 | 1,66,246 | 41,562 | 33,389 |
| 16,46,350 | 1,23,20,072 | 1,06,73,722 | 1,200,794 | 16,900 | 2,05,485 | 1,88,585 | 47,146 | 34,314 |
| 2,01,93,045 | 7,83,39,514 | 5,81,46,469 | 6,541,477 | 143,752 | 26,58,850 | 25,15,098 | 628,774 | 306,623 |
| 21,02,707 | 65,68,899 | 44,66,192 | 502,496 | 19,292 | 2,24,977 | 205,685 | 51,421 | 40,529 |
| Brought forward | | | | | | | | £. 10,956,032 |
| Interest estimated at | | | | | | | | £. 5,110,428 |
| Stores from England in 1793-4 | | | | | | | | £. 187,464 |
| Sums paid there, &c. | | | | | | | | 171,392 |
| Stores and Sums paid for Eleven Years | | | | | | | | 358,856 × 11 3,947,416 |
| | | | | | | | | 9,057,844 |
| Surplus in the Eleven Years | | | | | | | | £. 1,898,188 |

* Estimate average of the seven following years.

5374. In India is not the existence of a private property in land or otherwise or the degree in which such property exists, a mere question of light or heavy assessment?—I think it is very much so; the meeras which prevails so generally in the Deccan was always subject to almost any assessment that government chose to put upon it, which very much destroyed the value of it.

4 Oct. 1831.

W. Charles, Esq.

5375. Does not that right become distinct and well marked where the assessment has been for a length of time steadily moderate?—Undoubtedly it does; and even where the assessment has been fluctuating, as it was in the Deccan under the native government, the meeras right has still continued, the meerassadars being exceedingly attached to this species of landed property.

5376. Where the Mahomedan power, or other strong arbitrary government has been long established, is it not true that the value of a private property in the land has been either greatly reduced by the gradual encroachments of the land-tax, or rent, or disappeared altogether by the total absorption of rent in that impost?—I believe that to be pretty generally the case.

5377. Has not the preservation of a private property, in the land or otherwise, been a good deal guided in various parts of India, by the more or less warlike character of the people, or in other words, their capacity or incapacity of resisting exaction?—I believe that a warlike character has sometimes opposed a limit to exaction.

5378. Has it not also been regulated by the strength or weakness, in a military point of view, of the character of particular countries, having been most perfectly preserved in mountainous ones, easy of defence from foreign invasion, such as Canara, Malabar and Travancore?—Private property has continued to prevail there much undisturbed, and probably from the causes which are mentioned.

5379. Whilst, on the contrary, in extensive plains, such as the table land above the ghauts, and the low plains of the Carnatic, where inroads of troops were easy, has not the property in land been very much reduced, if not destroyed?—Meeras land, if it ever existed, has been almost entirely obliterated in many parts of those countries, where we cannot trace its existence at the present day; I allude to the Ceded Districts of Madras, and the Southern Mahratta country, where meeras is not to be found at all.

5380. Was not a private right of property in the soil, as it exists in most parts of the Deccan, respected even by the arbitrary and rapacious government of the last Peishwa; and does there not exist in the public records a deed in which this prince is exhibited as a private individual, purchasing land immediately adjoining to one of his gardens, and where he is seen condescending to be enrolled as a common meerassadar?—The late Peishwa certainly did very much respect the right of meeras property, though it was occasionally, no doubt, infringed by him.

5381. What was the value of meeras land in the Deccan, during your administration

21 July 1831.

T. Langton, Esq.

2906. Have you instituted a similar inquiry into the third period ; namely, from 1793 to 1814 ?—I have not pursued the inquiry into this period beyond the year 1808-9, as I could not, with the data to which I had access, hope to arrive at any result as to the transactions from 1809-10 to 1813-14 ; for the earlier portion of this period the labours of the Select Committee of 1811-12 had greatly facilitated the examination, though that Committee did not itself succeed in effecting its object of ascertaining the relative position of the territorial and commercial branches. Before stating the results at which I have arrived, it will be necessary to premise that, in my judgment, the account between the branches requires to be conducted on a different principle after the Act of 1793 had passed. That Act, whilst it gives increased dividends to the proprietors, excludes them from all further participation, (except in a remote contingent case,) either in the surplus territorial revenue, or in the surplus commercial profit. When therefore the commerce drew supplies from the revenue, beyond what was returned within the year from their commercial funds, interest was justly chargeable, as the money might have been applied in reduction of debt and of interest. There was the greater propriety in this, as the supplies to commerce have been frequently provided by loans made in the name of the territory, for which I refer to the Second Report, p. 65, and to the Third Report, p. 359, from which, with the permission of the Committee, I will read extracts. From the Second Report, p. 65 : “ the sources from which funds have been derived from year to year, for the supply of the combined operations of government and commerce, were the revenues of the territories, and supplies from Europe, either in bullion or exports, or by bills upon the Court. When the aggregate amount of these several heads has not been sufficient to defray the expenses of government, to provide investments, and to remit supplies to China, money has been raised upon loan.” And the Third Report, at p. 359, states, “ from these accounts it is to be deduced that when a surplus revenue existed in India, it was, in conformity with the principles laid down in the Act of 1793, applied to advances for the purchase of investments, for consignments to Europe, or for the supply of the Canton treasury ; and when, combined with funds available in India from supplies from Europe, it was found insufficient for these purposes, the difference was furnished by monies raised on loan in India. In whatever amount therefore the capital of the Company in England was not sufficient for carrying on the trade, and for the conduct of the concern generally, the deficiency was supplied by monies raised in India. The impracticability of distinguishing what part of these monies was applied to commercial, and what part to political purposes, having already been stated, the object of these additional remarks is merely intended as a further demonstration of the strict connection of the political and commercial affairs at home as well as abroad, and as a proof of the correctness of the position, that till it shall be clearly ascertained that these supplies from the home treasury to India and China were derived from sources purely commercial, the question of a distinct view of the proportion of the Indian

4 Oct. 1881.

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administration of it, estimating the same by years purchase, or by the amount of land-tax?—Opinions on that subject were various; I think meeras land was considered to be worth from three to four or five, or sometimes even ten years' purchase.

5382. Was any land brought to public sale?—Never.

5383. In your report, dated the 24th January 1822, you have stated, that meeras land, yielding 200 rupees' worth of gross produce, would seldom be mortgaged for more than 100 rupees, the mortgagee paying the public dues on the land, which last is redeemable on liquidation of the debts, with such interest as may have been stipulated for. Supposing, in this case, the net land-tax to be thirty-five per cent. of the produce, as you have elsewhere stated, there would remain to the mortgagee but 130 parts; is it not to be inferred from this, that the land is hardly worth anything, and that it is on the security of the crop on the ground alone, that the money is advanced?—I have already stated in that report, that meeras land in the Deccan is assessed at least as high if not higher than the oopuree land, or land held by strangers not meerassadar; therefore it necessarily possessed very little value as saleable property.

5384. How would you estimate the value of the land there?—My estimate of the value of meeras land was formed from the opinions of the inhabitants themselves, who were collected together and questioned as to how many years' purchase they considered it worth.

5385. What is the highest value you have known for the purchase of meeras land?—I think I have stated, that I have heard of meeras land being sold for ten years' purchase; but generally speaking, the value of it was not at all equal to that amount.

5386. Is not the wuttundar or meerassadar of the Deccan, with some difference in degree, the same as the oolcoodee of the Tamil countries, and the khloodkasht ryot of Bengal, and the opuree the same party with the pycaree and pyckasht, or migratory tenantry of these countries?—I conceive that the tenure is very similar; but meeras as a private saleable property, is more distinctly recognized in the Deccan than it was in many of our old provinces, though not more distinctly perhaps than in Canara. With reference to the existence of meeras, I would take the liberty of referring the Committee to my report in the Revenue Selections of the 22d August 1822, commencing with the 107th paragraph.

5387. You are aware that land in this country values from twenty-five to thirty years' purchase?—I understand so.

5388. Must not the difference between that, and one and ten years, the value of land in India depend entirely on the assessment levied upon it?—I conceive mainly so.

5389. Wherever land in India does not bear the value of a certain number of

Indian debt which is to be termed political or commercial must remain undecided, whatever may have been the amount of those supplies." It is also fairly to be inferred, from the language of the Third Report, that the propriety of an interest account was seen by the Select Committee, though it is not so stated in express words. The Report states the balance of supplies to be in favour of commerce, yet it speaks of a part of the debt contracted during the period, being, with the interest on it, a commercial debt, considering that when money was borrowed for the use of commerce, or to replace what had been taken from the revenues for the use of commerce, commerce was directly liable for the loan and the interest on it. On the other hand, I have considered the territory to be the only ostensible party in India, and as standing between the lender and commerce, liable to the lender for the principal and interest, but having a counter claim on commerce *pro tanto*.

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T. Langton, Esq.

2907. Do you make that observation on the part of Mr. Melvill's evidence, in answer to question 5671, wherein he states, that on reference to the Third Report of the Select Committee on East-India Affairs in 1812, it will be observed that the Committee experienced considerable difficulty in their attempt to ascertain the relative situation of the territorial and commercial branches; they however came to the conclusion, that the balance since 1793 had been in favour of the commercial branch. Are these observations you have made in reference to that part of Mr. Melvill's evidence?—Not entirely; they are with reference to the necessity of an interest account between the branches.

2908. How does the credit thus given to the commercial branch in Mr. Melvill's reference to the Third Report, accord with your understanding of the general tenor of that Report?—The balance of supplies in favour of commerce, given at the close of the Third Report, does not differ materially from that which appears in the Account I have prepared. But the general tenor of the Third Report cannot be collected from the statement of that balance, without also comparing with it various passages, in which the interest, being uniformly brought forward in the accounts from year to year as a direct demand upon the revenues of India, is commented on; as in the Second Report, at page 60, where they say, "it is, however, to be remarked, that other demands, which have fallen on the revenues of India, remain to be examined, before it will be practicable to pursue the investigation of the final results. These demands are described in the columns of the statement as supplies to Bencoolen, Penang, &c. and the interest on the debts. These several articles cannot, in either case, be considered as either wholly of a political or of a commercial description, although they have uniformly been brought forward in the accounts from year to year as a direct demand upon the revenues of India, and have very materially affected the general result of the same."

2909. Are

of years' purchase, is it not fair to conclude that the assessment on that land has been too high?—I conceive so.

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5390. Might not a very good rule be laid down in future settlements in India, as to the amount of assessment, by the experience which has been acquired under such a settlement?—Yes, I conceive a very good rule might be laid down for that purpose; but to enable the government to follow that rule, its finances must be in a state to admit of reduction.

5391. Ought not every government, in whatever situation their finances are, looking to the permanent prosperity of the country and the continuance of their finances, to act on that principle?—There can be no doubt that it would be a very desirable principle to follow.

5392. Has it not generally been the case, that lands held by meerassadars are usually more highly assessed (the native government taking advantage of the attachment of the proprietor to his land) than the same lands when relinquished by them, and rented by oopurees?—I have particularly stated that in the course of the report to which I have alluded.

5393. Have you observed that the lands possessed by meerassadars are better tilled and more highly improved than those of tenants at will?—I conceive that they are. It becomes the interest of the meerassadar of course to give more attention to his land and to bestow more labour and capital on the improvement of it, always supposing that the rent is defined, which as I have shewn in my report that of the meerassadar never was in the Deccan.

5394. On that principle, would you not recommend in future that all settlements should be permanent, and rent fixed, in order to give an encouragement to proprietors to raise the value of property let to them?—Yes, I conceive that would be extremely desirable. It was the principle recommended by Sir Thomas Munro.

5395. Is it your opinion, that the great variations which have taken place in the amount of revenue of those districts, in a period of years, may have arisen from the want of that permanent settlement and encouragement to individuals occupying the lands?—It arises, I think, from the circumstance, that in almost all the districts we have had the management of, we have been obliged to make our settlements without any previous survey, we have made them in the dark, in an almost total ignorance of details, both as to the extent of the land and the rent to be drawn from it, and have very often fixed a great deal too high the assessment, in consequence of that ignorance.

5396. Is it not owing to the high rate of the government assessment absorbing the whole landlord's rent, both in the native and British territories in the Deccan; is it not almost always the case that the meerassadar is both proprietor and farmer, or that in reality the proprietor receives only the

21 July 1831. 2909. Are there any sums paid in England supposed chargeable to the territory during that period, which you conceive to be improperly so charged?—I conceive there are. In the Act of 1793, the 5th clause says in express terms, that the expense of the Board of Commissioners shall be deemed and taken to be a commercial charge; it is however introduced into political charges in the Appendix 46 to the Third Report, and placed against the territory. When Mr. Cartwright, the accountant-general, was called on to explain what items that head consisted of, the very first item he named was the expense of the Board of Commissioners for the Affairs of India, though the Act of Parliament had expressly said that it was to be deemed and taken to be a commercial charge; the amount of that charge was not allowed to exceed £16,000. Upon the supposition that it had always attained that sum, the amount for the seventeen years to which the inquiry of the Select Committee extended, with the accumulated interest upon it, would have amounted to above £600,000; there were other items under that head which had also very little to do with the territory, such as the East-India Company's volunteers, the expense of which for one year was, I believe, £28,000. There are several other items, but I do not understand the nature of them; as the expense of the Company's stud; whether that is territorial or commercial I do not know, but the Select Committee, after stating the balance of supplies, named several other items which require further adjustment; and amongst others, they say of the sums paid in England supposed chargeable to the territory, "some of these appear to have been correctly so charged;" leaving it to be inferred, I suppose, that some were not so.

2910. You have assigned reasons, in reply to a former question, that an interest account should be drawn up between the two branches, after the Act of 1793 had passed; have you in the course of your inquiry drawn up such an account, and if so, will you state what result you come to?—I have prepared such an account; but I must repeat what I said before, that the data from which it has had to be framed are not of a character to allow of its being effected with a precision and minuteness usual in commercial accounts; it is but an approximation, but I am persuaded that when rigidly and fairly examined, it will be found to be a near approximation, and leaning rather to favour commerce than territory, with the view to obviate cavil. At the close of 1808-9, I made a balance of interest due from commerce to territory of £5,175,490; the balance of supplies in favour of commerce I make £1,638,135, which is rather more than it is stated at in the Third Report; the difference of £3,537,355 is the absolute balance against commerce, but still subject to several adjustments, which the Third Report has enumerated as necessary to be made, though it has left it to others to make these adjustments. These adjustments are such as would most of them tend to increase the balance against commerce, such as a charge of 10 per cent. on goods and stores consigned, sums paid in England supposed chargeable to territory,

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profits of farming, and not the rent of land, including under this last name both rent strictly so called, and the profits of the fixed capital invested in the land?—That I conceive to be generally the case.

5397. Had not meeras lands decreased in value since the British occupation of the Deccan, and must not this have been owing to the tax being proportionally heavier on these than on other lands, and to the cultivators having in consequence of such higher tax found it more profitable to cultivate waste lands, than to continue the occupation of the old lands in tillage?—Yes, I have particularly stated in my report, that oopuree land became nearly as valuable as meeras, from the circumstance that it was to be had on terms easier than that of meeras land.

5398. In Candeish, which had been long permanently occupied by the Mahomedans, was it not found that no meeras existed, but what was attached to and inseparable from village and district officers; but was there not also found a class of ryots, who had a permanent right of cultivating the land, as long as they paid such dues of the state as were demanded of them?—In the greater part of Candeish, meeras right certainly did not exist; but there was in Candeish, as I conceive there is in every part of India which is well governed, a permanent right of occupancy. I do not conceive that the right of meeras amounts to much more than a permanent hereditary right of occupancy, on payment of the public dues.

5399. You mean from the rent being undefined?—Yes, from the rent being undefined.

5400. The definition of the rent to be assessed upon all meeras lands is essential in order to maintain their value?—I conceive quite indispensable; it was on that ground I particularly recommended a survey assessment on the land in the Deccan.

5401. You found in the Southern Mahratta country, or the Darwar collectorate and Beejapore, where no meeras right at all is to be traced, did you not, hereditary permanent occupants or tenants?—There is every where in India where I have been, a right of occupancy, so long as the public dues are paid. It has been frequently invaded, but the right has, in my opinion, always existed under good government.

5402. By what name are they distinguished, and what proportion now remains of the ancient proprietary, those who have rights of occupancy, and what name do they go by?—I do not recollect the particular designations. In the Deccan, I think, they are generally called thulkurees.

5403. As to those tenants who were considered permanent occupants, has not the value of their lands been very much decreased since the Company have increased the land tax?—The Company not having, that I am aware of, increased the land tax, the value has improved, I apprehend, since the Company's occupancy, because those tenants are less liable to exaction.

5404. You

territory, charges of Bencoolen, Prince of Wales' Island, &c. ; to which may be added, the charges of St. Helena, placed by the Third Report amongst the doubtful items, whether commercial or partly political. 21 July 1831.
—
T. Langton, Esq.

2911. Have you the Account to which you have just referred?—I have.

[*The witness delivered in the Accounts No. 1 and No 2, and the same were read as follow :*]

PARTICULARS

5404. You do not know what proportion to the whole cultivation they bear?—The proportion the meerassadars in the Deccan bore to the oopurees is stated in my report, before alluded to.

4 Oct. 1831.

W. Chaplin, Esq.

5405. Did you not find that the uncertain tenure of tenants at will encouraged a vagrant spirit on the part of the ryots?—I conceive it has very much that tendency; an amazing quantity of waste land being to be had on very easy terms, the people are very much in the habit of going from one village to another in search of cheaper lands.

5406. Such persons are not in the habit of laying out capital on land, but of seeking fresh land?—Just so.

5407. Would not the opinion you have given with regard to the necessity of permanent settlements afford the best means of putting an end to that?—Yes; a permanent settlement, with a moderate fixed field-assessment.

5408. Would you contemplate a settlement for any certain number of years, or for ever?—I would, after a field assessment had been once established, declare it to be permanent for at least twenty-five or thirty years; I think that would be a sufficiently long period to encourage every sort of improvement.

5409. Would there be any objection to granting the land for the life of the individual, with perpetual renewal, and with a fine on succession, fixed within certain limits?—I cannot conceive there could be any objection to a plan of that kind. The permanent ryotwarree settlement as recommended by Sir Thomas Munro was very much on that principle, except that there was no fine. The only difficulty is, that the lower class of ryots are so poor that their circumstances are constantly changing. The loss of a bullock, or the death of a member of the family, induces them to contract their farm; or some fortunate circumstance encourages them to enlarge it. An annual adjustment therefore becomes necessary.

5410. Would not such a system produce a feeling of permanency in the possession, and therefore give him due encouragement to improve his land?—Undoubtedly; I think that principle has been fully stated and laid down in Sir Thomas Munro's permanent ryotwarree plan.

5411. Was not the revenue more easily raised from the jaghirdars, or actual proprietors, than from migratory tenantry; and if so, must not that be looked upon as a strong argument in favour of that system?—Undoubtedly the facility of collection is an argument in favour of it.

5412. Then if it is good for a period of years, would it not be better if conveyed for ever?—I should prefer a period of years, because I think that wherever we have laid down any permanent rules of that kind in India, we have generally hampered ourselves, and found reason for desiring to release ourselves from the engagements we have entered into on very imperfect knowledge and experience.

5413. If

No. 1.—PARTICULARS of the ORDINARY and EXTRAORDINARY RECEIPTS of the INDIAN TREASURIES, for also, the Sums for which the Territory has to be Credited or

| YEAR. | 1. Revenues of India. Appendix 2 to Second Report, Appendix 11 to Third Report. | 2. Charges of India, (exclusive of Commercial Charges.) Appendix 2 to Second Report, Appendix 11 to Third Report. | 3. Supplies to Beencoolen, &c. Appendix 2 to Second Report, Appendix 11 to Third Report. | 4. Interest paid on the Debt. Appendix 2 to Second Report, Appendix 11 to Third Report. | 5. Debt at Interest 30th April in each Year, with the Increase or Decrease. Appendix 7 to Second Report, Appendix 2 to Third Report. | 6. Floating Debt, with the Increase or Decrease. Appendix 7 to Second Report, Appendix 2 to Third Report. | 7. Cash and Bills on hand with the Increase or Decrease. Appendix 9 to Third Report; Papers. 9 Feb. 1830. |
|-----------|---|---|--|---|--|---|---|
| | £. | £. | £. | £. | £. | £. | £. |
| 1792-3 .. | 8,225,628 | 6,304,607 | 66,217 | 636,226 | 7,129,934 d. 530,934 | 2,012,786 d. 234,101 | 1,804,292 L 7,380 |
| 1793-4 .. | 8,276,770 | 6,066,924 | 40,822 | 526,205 | 6,192,980 d. 634,092 | 1,778,685 d. 12,316 | 1,811,552 d. 125,052 |
| 1794-5 .. | 8,026,193 | 6,083,507 | 62,080 | 484,301 | 5,538,888 d. 203,840 | 1,766,369 d. 302,479 | 1,936,604 L 122,124 |
| 1795-6 .. | 7,866,094 | 6,474,247 | 104,154 | 414,750 | 5,335,042 L 268,588 | 1,463,890 L 68,392 | 2,058,728 d. 286,383 |
| 1796-7 .. | 8,016,171 | 7,081,191 | 101,190 | 426,847 | 5,603,600 L 1,748,483 | 1,532,282 L 358,428 | 1,763,345 d. 312,227 |
| 1797-8 .. | 8,059,880 | 7,411,401 | 163,299 | 603,926 | 7,352,023 L 1,437,188 | 1,790,710 L 286,667 | 1,451,118 d. 106,403 |
| 1798-9 .. | 8,652,033 | 8,417,813 | 120,668 | 721,550 | 8,789,211 L 1,060,889 | 2,077,377 L 656,889 | 1,284,715 L 40,823 |
| 1799-1800 | 9,736,672 | 8,998,154 | 171,363 | 957,236 | 9,850,100 L 1,852,140 | 2,734,266 d. 437,379 | 1,325,538 L 723,661 |
| 1800-1 .. | 10,485,059 | 10,405,501 | 156,325 | 1,062,684 | 11,702,249 L 2,471,800 | 2,296,887 L 139,417 | 2,049,099 L 92,200 |
| 1801-2 .. | 12,163,589 | 11,023,452 | 241,220 | 1,386,593 | 14,174,139 L 1,413,621 | 2,436,304 L 379,816 | 2,141,359 L 508,900 |
| 1802-3 .. | 13,464,537 | 10,965,427 | 196,848 | 1,361,453 | 15,587,760 L 1,123,498 | 2,816,120 L 44,907 | 2,650,319 L 403,675 |
| 1803-4 .. | 13,271,385 | 13,001,083 | 304,056 | 1,394,322 | 16,711,226 L 1,085,438 | 2,861,027 L 563,793 | 3,053,994 d. 13,698 |
| 1804-5 .. | 14,949,395 | 14,548,433 | 372,163 | 1,566,750 | 18,696,662 L 2,581,644 | 3,424,820 L 993,505 | 3,040,302 L 224,543 |
| 1805-6 .. | 15,403,409 | 15,561,328 | 250,599 | 1,860,090 | 21,278,306 L 3,153,684 | 4,348,325 d. 278,276 | 3,264,845 L 1,104,532 |
| 1806-7 .. | 14,535,739 | 15,283,908 | 179,197 | 2,224,956 | 24,431,990 L 1,923,689 | 4,070,049 d. 181,387 | 4,369,377 L 75,850 |
| 1807-8 .. | 15,701,086 | 13,835,256 | 121,725 | 2,145,844 | 26,355,679 L 1,566,441 | 3,888,662 L 207,037 | 4,443,227 L 2,345,246 |
| 1808-9 .. | 15,546,948 | 13,284,169 | 176,707 | 2,309,836 | 27,912,120 d. 822,999 | 4,095,699 d. 373,089 | 6,688,773 L 689,163 |
| 1809 .. | — | — | — | — | 27,089,831 | 3,722,610 | 7,368,936 * L 717,561 |

* Treasure consigned from Bengal to Madras, excluded from Bengal Quick Stock, and

† The corrected Expenses of St. Helena, as per Appendix 51 to 4th Report of 1812, This sum is therefore added here to Stores

4 Oct. 1881.

W. Chaplin, Esq.

5418. If the uncertainty of renewing the possession of land prevents the application of capital and an improved agriculture, would not that evil towards the conclusion of every period be particularly felt?—Yes, I think it might have that effect.

5414. What other evil do you contemplate from making the settlement permanent?—I am rather an advocate for making it permanent; I conceive great advantages are to be derived from permanency, but as we very often adopt permanent arrangements on very imperfect information, I think we should not hastily lay down any plan of permanency.

5415. Your objection to the land being settled for ever in persons paying a fixed and moderate rent, depends more on the supposition of your not being acquainted with the real value of the property than any other cause?—Just so.

5416. If you had had the experience of ten years settlement of ryotwar settlement, do you not consider that you would then be in a condition to make a permanent settlement?—Yes, I should consider that period a fair trial of the survey rates of assessment, and sufficient perhaps to allow of inequalities being corrected under efficient management.

5417. What opinion did you form during your residence in India of the general character of the natives?—My opinion is, in general, extremely favourable to the moral character of the natives; in large towns, no doubt, they are extremely dissolute, as they are in large towns in every part of the world; but in the country, I think that the moral character of the natives stands extremely high in general.

5418. From your own experience, have you found them worthy of confidence in the different departments under you?—I have very often found many individuals highly deserving of confidence; but I think, generally speaking, that our revenue servants, from the inadequacy of their pay, are extremely open to corruption and intrigue of every sort.

5419. Have you found those who had the prospect of promotion by good conduct, more to be depended on than others?—Generally speaking, undoubtedly so.

5420. As regards your own domestic servants, have you found them honest and attentive?—I have scarcely a recollection of anything like dishonesty on the part of my own native domestic servants. On the contrary, you leave your writing desk open, with money or other articles in it, in the utmost confidence that nothing will be abstracted. The doors of your houses are left open; often during the night as well as day.

5421. What number of persons did you employ as native collectors, and what numbers did you dismiss for acts of misconduct or malversation?—I cannot state the number who were employed or dismissed, but the dismissals were extremely frequent.

5422. Did

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 403

each Year from 1792-3 to 1808-9, with the Application thereof as far as the Territory of India is concerned ; Debited by the Home Treasury in the corresponding Years.

| 8. | 9. | 10. | 11. | 12. | 13. | 14. | 15. |
|--|---|---|---|--|--|--|--|
| Loss, &c. Appendix 22. Losses, &c. Appendix 23. Increase of Dead Stock; Appendix 25 to Third Report. | Claims on Government, admitted and not admitted. Appendix 17 to Third Report, and p. 365 of Third Report. | Payments to the Creditors of the Nabob of Arcot, Appendix 18; and of Rajah of Tanjore, Appendix 19, and p. 365 of Third Report. | Bonds to the Creditors of the Rajah of Tanjore and of the Nabob of Arcot. Appendix 22 to Fourth Report. | Stores Exported to the Presidencies, Bencoolen and St. Helena, Appendix 35 to Fourth Report. | Sums paid in England, supposed chargeable to the Territory. Appendix 40 to Third Report. | On Cinsurah Cause, Received and Paid. Appendix 22 and 41 to Fourth Report. | Liquidation by Government of Claims for Advances. Appendix 4 to First Report. Appendix 17 to Third Report. |
| £. | £. | £. | £. | £. | £. | £. | £. |
| 90,285 | — | — | — | 202,929 | 171,392 | — | — |
| 90,285 | — | — | — | 187,464 | 171,392 | Paid. 567 | — |
| 90,285 | — | — | — | 171,928 | 163,399 | — | — |
| 90,285 | 36,395 | 64,044 | — | 253,560 | 199,128 | Paid. 120,098 | — |
| 90,285 | 132,994 | 1,058,953 | 42,820 | 230,417 | 375,097 | Received. 59,143 | — |
| 90,285 | 171,365 | — | 89,045 | 263,296 | 203,784 | — | — |
| 90,285 | 162,697 | — | 83,732 | 298,599 | 300,736 | — | 200,000 |
| 90,285 | 144,997 | — | 9,459 | 500,996 | 273,817 | — | 200,000 |
| 90,285 | 123,394 | — | — | 398,033 | 307,635 | — | — |
| 90,285 | 481,113 | — | — | 401,166 | 482,730 | — | — |
| 90,285 | 92,260 | — | — | 401,168 | 393,207 | — | — |
| 90,284 | 105,817 | — | — | 295,531 | 435,224 | — | 1,000,000 |
| 90,283 | 101,731 | — | — | 349,495 | 485,604 | — | — |
| 90,283 | 84,231 | — | — | 553,041 | 575,795 | — | 1,000,000 |
| 90,282 | 24,351 | — | — | 637,148 | 492,083 | — | 1,000,000 |
| 90,282 | — | — | — | 435,183 | 505,797 | — | — |
| 92,282 | — | — | 7,138 | 396,674 | 550,766 | — | 1,096,928 no date. 289,076 |

not included at Madras. Appendix 24 to Third Report.

exceed by this amount the Stores exported to St. Helena, as per Appendix 35 to the same Report. Exported in the mid-year of that period.

4 Oct. 1831.

W. Chaplin, Esq.

5422. Did any abuses you discovered, depend much on the knowledge of the parties, that you had no sufficient check upon them?—I think they generally arose from their pay being inadequate to the trust and the responsibility of the office, and to the facilities they had of concealing and appropriating to themselves a part of the collections.

5423. Were your own private servants better paid than the public ones, and did you attribute to that the superior honesty and confidence you placed in them?—It is extremely difficult to state whence the difference arises, but a private servant has not the same temptations to dishonesty, nor the same facility that a public servant has, who is employed in collecting the revenue.

5424. In the public reports on the Deccan, the Brahmins, who conduct all the business of the country, have been described as an intriguing, lying, corrupt, licentious, and unprincipled race of people?—Yes, those are my own words; speaking of the Mahratta Brahmins, I think that is the character I should generally give of them.

5425. When in power, you add, coolly unfeeling and systematically oppressive; was this the class that chiefly composed the munludars, cumavisdars, carcoons, and other officers of the public revenue?—That was the class employed in the Deccan. I think, generally speaking, the Mahratta Brahmins amply deserved that character. When I spoke of the moral character of the natives favourably, I spoke of them generally. The Mahratta Brahmins are a particular class, whose vices appear to have arisen in a great degree from the nature of the government they have been so long under.

5426. Were you able to converse with them in their native tongue?—Yes, I was.

5427. Did you find them quick and ready to learn other languages than their own, for instance the English language?—The Mahratta Brahmin, I think, generally speaks not only his own language, but the Hindoostanee, and is quick at learning anything. I do not recollect more than one or two of them having a knowledge of English.

5428. It is not considered necessary?—It is not.

5429. Are the proceedings of the court in the Deccan carried on in the Mahratta or the Persian language?—In the Mahratta.

5430. What is your idea as to the difficulty of introducing the English into India generally?—I do not know that there would be any insurmountable difficulty, but I can hardly conceive there is any necessity or use in it further than that it would give them an opportunity of learning European sciences.

5431. Are not many of our European officers not fully acquainted with the languages of the countries where they reside, and if the natives were to speak English, would they not be thereby much less open to abuse and corruption?—I think, generally speaking, our civil officers are never appointed to any responsible charge until they have acquired a proficiency in the native

No. 1.—Particulars of the Ordinary and Extraordinary

Particulars of Column 8.—Doubtful

| | 1792-3. | 1793-4. | 1794-5. | 1795-6. | 1796-7. | 1797-8. |
|--|---------|---------|---------|---------|---------|---------|
| | £. | £. | £. | £. | £. | £. |
| Loss arising from remittances and consignments from port to port in India, from 1792-3 to 1808-9 inclusive, £873,403. Appendix 22 to Third Report. Average of 17 years.. .. | 51,377 | 51,377 | 51,377 | 51,377 | 51,377 | 51,377 |
| Sums written off as losses at the several Presidencies, from 1792-3 to 1808-9 inclusive, not inserted in the charges, £461,428. Appendix 23 to Third Report. Average of 17 years .. | 27,143 | 27,143 | 27,143 | 27,143 | 27,143 | 27,143 |
| Increase of dead stock in India between 1792-3 and 1808-9, supposed to have been purchased in India, and not included in the charges, £200,000. Appendix 25 to Third Report. Average of 17 years | 11,765 | 11,765 | 11,765 | 11,765 | 11,765 | 11,765 |
| £ | 90,285 | 90,285 | 90,285 | 90,285 | 90,285 | 90,285 |

4 Oct. 1281.

W. Chaplin, Esq.

native language, therefore I do not exactly see the necessity of the natives learning English to enable us to transact business with them.

5432. Do you not conceive it would be beneficial to have one language if possible for the whole government business to be conducted in?—It might possibly be an advantage, but it is an advantage which can never be attainable, I think.

5433. Do you not think if the natives were open to different offices, and one of the requisites for that were the English language, that the young would be brought up with an education in English?—I do not think myself it would be an advantage; those who have a knowledge of the English language, in general are persons from the presidencies, who bring with them extremely corrupt habits; I have seldom therefore myself employed them as agents in the interior.

5434. Does not that arise from their residence in seaports, and their being contaminated?—Yes, no doubt.

5435. Is there a public regulation of the Madras government which excludes all Christian natives from the principal employments which may be held by natives?—I am not aware of any such regulation.

5436. Did you, in point of fact, ever employ any Christian natives in the public service?—Frequently, as clerks and copyists. In my public office I had many of them, and there are other situations in which they are employed in different departments.

5437. Were there many of the East Indians or half-castes in that part of India where you were?—None, except the few I have described as being employed in the way I have mentioned.

5438. Do you not conceive that they who are intimately acquainted with both languages might be beneficially employed in India?—There are several departments in which they may be beneficially employed, but I should think that their employment in the judicial or revenue line was not, generally speaking, expedient, because the higher order of natives look upon them as an inferior class of persons.

5439. Are not the natives disposed to so look upon them from their being so looked upon by Europeans themselves, and would not their employment in official situations soon alter their opinion?—It is difficult to say what might be the effect of that.

5440. Can Christians become tehsildars?—I believe there is no regulation to prevent it.

5441. Have you ever known any employed as such?—I cannot recollect that I have; I think I have heard that Mr. Sullivan had a Christian employed under him in a high office.

5442. The Committee have no further question to put to you, but would be glad to know whether there are any suggestions you would make on any topics,

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 405

Receipts of the Indian Treasuries, &c.—*continued.*

whether Commercial or partly Territorial.

| 1798-9. | 1799-800. | 1800-1. | 1801-2. | 1802-3. | 1803 4. | 1804-5. | 1805-6. | 1806-7. | 1807-8. | 1808-9. |
|---------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| £. | £. | £. | £. | £. | £. | £. | £. | £. | £. | £. |
| 51,377 | 51,377 | 51,377 | 51,377 | 51,377 | 51,376 | 51,376 | 51,37 | 51,376 | 51,376 | 51,376 |
| 27,143 | 27,143 | 27,143 | 27,143 | 27,143 | 27,143 | 27,143 | 27,143 | 27,143 | 27,142 | 27,142 |
| 11,765 | 11,765 | 11,765 | 11,765 | 11,765 | 11,765 | 11,764 | 11,764 | 11,764 | 11,764 | 11,764 |
| 90,285 | 90,285 | 90,285 | 90,285 | 90,285 | 90,284 | 90,283 | 90,283 | 90,282 | 90,282 | 90,282 |

topics, which have or not been touched upon?—I am not prepared to offer to the Committee any suggestions further than to recommend, as far as I am able to do, the expediency of making throughout our territories, the land assessment as light as the finances of government will admit, but above all, to fix the limit of the field assessment, as the only sure means of affording protection to the ryot, and providing against mal-administration. This I presume to be the grand secret for the good government and the maintenance of tranquillity in India.

4 Oct. 1831.

W. Chaplin, Esq.

5443. Upon the whole the Committee are to understand that the more you have seen of the natives, the better your opinion of them?—I have always formed a good opinion of the native character generally; I think they will bear an advantageous comparison with the natives of any country in the world.

Jovis, 6^o die Octobris, 1831.

THE two following Petitions, which were presented to the House on Thursday the 1st day of September last, and referred to this Committee on Monday the 3d day of this instant (October), were read :

6 Oct. 1831.

Petition from
Bombay.

The humble Petition of the Hindoos, Parsees, and Mahometans, Natives of the East-Indies, and Inhabitants of the Island of Bombay, sheweth,

THAT your Petitioners beg to be permitted to offer to your Honourable House our grateful acknowledgments for the many testimonies we have had of your solicitude to promote our welfare and happiness. We are satisfied that our representations for the amelioration of our condition in society, and for the improvement of our political institutions in India, will be listened to by you with patient attention, will have your unprejudiced consideration, and that it will ever be your desire, that all the subjects of our gracious Sovereign, in whatever region they may be, shall be fully protected in their lives, their personal liberty, their character, and their property.

We beg your Honourable House to take into your consideration, the expediency of rendering all His Majesty's subjects, being natives of India, eligible to serve on Grand Juries; and further, to introduce and establish the Trial by Jury in Civil cases, in his Majesty's Courts of Justice at the three Presidencies in India, and to render the Natives of India eligible to serve on those Juries. Already the Natives of India serve on Petit Juries, in all criminal trials in His Majesty's Courts in India; and the Supreme Court of Judicature at Bombay has acknowledged their utility on those trials. Of all trials, that by a petit jury for crimes is the most important; and when the Natives of India are declared by Parliament to be qualified to serve as jurymen on those trials, and experience has proved their utility, we venture humbly to submit to your Honourable House that there is no sufficient reason to exclude them from Grand Juries and Petit Juries in civil causes. Whether before a Grand Jury or a Petit Jury in the Court of Oyer and Terminer, or a Jury in plea causes, the subject

No. 1.—Particulars of the Extraordinary

Particulars of Column 9.—Advances on Account of Government

| | | 1795-6. | 1796-7. | 1797-8. |
|---|---|---------|---------|---------|
| | | £. | £. | £. |
| Such part of the claims of the East-India Company on the public, on account of advances and supplies in India, as were admitted by the Select Committee, but which had not been included in the charges and interest. See Appendix 17 to the Third Report, and Appendix 4 to the First Report | Cape of Good Hope | 93 | — | 8,768 |
| | Vessels and stores for King's ships | — | — | 23,603 |
| | Ceylon charges; admitted in full | 20,784 | — | — |
| | Ceylon charges; part admitted; on an average of six years | — | 58,738 | 58,738 |
| | Eastern Islands; part admitted; on an average of 11 years | 7,759 | 7,759 | 7,759 |
| | Trinidad | — | — | — |
| That part of the claims on the public for advances in India which were not admitted by the Select Committee, and which had not been included in the charges and interest. See p. 365 of Third Report, and Appendix 17 | Ceylon Charges; the half not admitted; on an average of six years . | — | 58,738 | 58,738 |
| | Eastern Islands; the half not admitted; on an average of 11 years.. | 7,759 | 7,759 | 7,759 |
| £ | | 36,395 | 132,994 | 171,365 |

6 Oct. 1831.

—
Petition from
Bombay.

under investigation generally embraces transactions of a local nature, and the witnesses are principally Natives of India. To ascertain the intention of the witnesses, and the degree of credit that is due to them, in order to pronounce a true verdict, a knowledge of the languages of the country, of local usages and customs, civil and religious, and of general character, we presume to suggest, is as much required before a Grand Jury, and before a Petit Jury in civil causes, as before a Jury on trial for crimes.

We beg your Honourable House also to take into your consideration the expediency of rendering His Majesty's subjects, the Natives of India, qualified to be His Majesty's Justices of the Peace for the several Presidencies in India, and the territories subordinate to them respectively. We admit an objection to arise, from a want of knowledge in the Natives, of the laws administered by Justices of the Peace; but that objection may be obviated, by declaring that all their acts, as Justices of the Peace, to be valid, shall be in conjunction with a Justice of the Peace who is a British subject. Since Parliament has declared the Natives of India, under the advice of the Court, to be qualified to serve on Petit Juries, on trials for crimes, it surely may be allowed to us to argue that they are qualified to act as Justices of the Peace, in conjunction with one of His Majesty's British subjects.

We see no reason to dissemble, and we avow to your Honourable House, that one of our reasons for soliciting to be eligible to serve on Grand Juries, and on Juries in civil causes, and to be Justices of Peace, is to diminish the odious distinction that separates us from His Majesty's British subjects; that pronounces us an inferior and degraded class in society, and unworthy of the confidence of our gracious Sovereign and of the Government.

We beg your Honourable House to take into your consideration the system for the administration of justice in the interior of British India; it is eminently defective—it affords no adequate protection for the rights of property,—it affords scarcely any protection from personal wrongs—and in particular from false imprisonment, when committed by persons possessing public authority. Your Honourable House are perfectly sensible how much life is embittered by personal wrongs, and especially by false imprisonment. It is true, that by Acts of Parliament, and by the Charters of the Supreme Courts in India, actions for damages will lie in all those courts for personal wrongs, including false imprisonment, committed by His Majesty's British subjects, or Natives of India in their service; but it is probable, that at a distance of thirty miles from each of the Presidencies, there is scarcely a Native of India who has the slightest knowledge of those Acts of Parliament and Charters; and if they were known, the immense distances from His Majesty's Courts in India, would, in most instances, prevent application to them for redress. At present, we are inhabitants of the Island of Bombay, but many of us have families in the interior of the British territories in India, and all of us, for trade, pilgrimages, and other purposes, occasionally leave the Island of Bombay, and at once are under the judicial administration that is in force beyond this Presidency. We purposely decline a statement of particular instances of grievances by the judicial system in the interior of India, our objections apply to the system itself.

We beg to be excused entreating the attention of your Honourable House to the very extraordinary situation of His Majesty's subjects, the Natives of India. The dynasties that have been conquered by the British arms in India, were only of short duration; scarcely one of them had been in existence more than a century—we allude to the Nabob of Bengal, Bahar, and Orixia, the Nabob of Arcot, Tippoo Sahib, and the Paigwa, there was nothing venerable in the remote antiquity of those dynasties, the Natives of India had no other attachment to them than what arose from their possession of power. The strength of the present generation did not exist when the Nabob

Receipts of the Indian Treasuries, &c.—*continued.*

of which part admitted and part not admitted ; not included in Charges.

| 1798-9. | 1799-800. | 1800-1. | 1801-2. | 1802-3. | 1803-4. | 1804-5. | 1805 6. | 1806-7. |
|---------|-----------|---------|---------|---------|---------|---------|---------|---------|
| £. | £. | £. | £. | £. | £. | £. | £. | £. |
| — | — | 1,990 | 18,423 | 357 | — | — | 10,972 | — |
| 29,703 | *12,003 | †11,590 | 25,154 | 5,703 | 21,472 | 30,381 | 20,749 | — |
| — | — | — | 305,544 | 70,682 | 68,827 | 55,834 | 13,594 | 24,351 |
| 58,738 | 58,738 | 58,738 | 58,737 | — | — | — | — | — |
| 7,759 | 7,759 | 7,759 | 7,759 | 7,759 | 7,759 | 7,758 | 7,758 | — |
| — | — | — | — | — | — | — | 23,400 | — |
| 58,738 | 58,738 | 58,738 | 58,737 | — | — | — | — | — |
| 7,759 | 7,759 | 7,759 | 7,759 | 7,759 | 7,759 | 7,758 | 7,758 | — |
| | | 134,984 | | | | | | |
| | | 11,590 | | | | | | |
| 162,697 | 144,997 | 123,394 | 481,113 | 92,260 | 105,817 | 101,731 | 84,231 | 24,351 |

* In 1799-800, the amount of supplies to vessels, &c. was £18,811; but bills were given for £6,808, leaving the claim only £12,003.

† In 1800-1, bills were given in favour of the Court to £24,790, and the amount of supplies for vessels, &c., was only £19,200; the difference therefore of £11,590 is to be deducted from the other advances in India of the year in question.

Nabob of Bengal, Bahar, and Orixá, the Nabob of Arcot, and Tippoo Sahib, were conquered. In another quarter of a century few of the natives who were the subjects of the Paishwa will be alive. The immense population, calculated at upwards of sixty millions, which inhabits those conquered empires, now look for protection and happiness to the British Government alone. They have no sentiments of hostility to the British Government; they have no hopes but what arise from British institutions; it is their wish to possess and to merit public confidence; and under the auspices of your Honourable House, and the enactments of Parliament, to be declared eligible to fulfil and execute all civil offices throughout British India, judicial, financial, and territorial. We presume to suggest to the consideration of your Honourable House, that the time is at length arrived, when the public institutions throughout the territories in British India ought to be adapted to the permanent continuance of the British authority over them. Your Honourable House will not believe that a population of upwards of sixty millions does not contain within itself talent, assiduity, and integrity, to justify their being largely admitted into the execution of judicial, financial, and territorial offices. We refrain from enlarging on the numberless advantages, in policy and in morals, both to the United Kingdoms and to British India, from the Natives of India being extensively admitted into those offices. The philanthropy and wisdom of your Honourable House, are our guarantees that all will be done that can be done, to make the situation of being his Majesty's subjects in India, the cause of congratulation to all the Natives of British India.

We have great pleasure in acknowledging our obligations to your Honourable House, for your undeviating attention and anxiety to secure to the Natives of British India, the full and free enjoyment of their respective religions.

And your Petitioners, as in duty bound, will ever pray, &c.

[Signed by Ninety-five respectable Native Inhabitants of Bombay.]

Bombay, 31st December, 1829.

A PETITION of the undersigned Christians, Hindoos, Parsees, Mahometans, and Jews, Natives of His Majesty's Territories in India, and Inhabitants of the Island of Bombay; sheweth,

THAT it is with confidence and satisfaction that your petitioners address themselves to your Honourable House: it is to Parliament that the natives of His Majesty's territories in India are indebted for the public institutions intended to prevent injury and insult to them, and to raise them in the ranks of society; and we acknowledge with gratitude, the efforts of your Honourable House to promote those good purposes. It is principally to inquiries pursued by your Honourable House, that the Natives of India owe their earliest protection from injustice and degradation, by the establishment of the Supreme Court of Judicature at Calcutta. From that origin have successively proceeded the Recorder's Courts, and the Supreme Courts of Judicature at Madras and Bombay; those courts have ever fulfilled the duties entrusted to them by our Gracious Sovereign Lord the King; they have acquired the confidence and esteem of the Natives of India, and attached them to the British Government. At Calcutta, Madras, and Bombay, are the most numerous assemblages of the Natives of India, and of foreign countries in Asia; they are of every variety of religion, caste, and sect; diversified

6 Oct. 1831.

Petition from
Bombay.

No. 2.—STATEMENT of the ORDINARY and EXTRAORDINARY RECEIPTS of the INDIAN TREASURIES for each year, from 1792-3 to 1808-9, with the Application thereof as far as the Territory of India appears concerned; also the Sums for which the Territory had to be credited or debited by the Home Treasury in the corresponding years, with the Balance at the Credit or Debit of Commerce in India in each year, and with the Interest thereon from year to year.

| | £. | | £. | | £. |
|---|-----------|------------------------------------|-----------|---|---------|
| Total revenues 1792-3 | 8,225,628 | Total charges of 1792-3 .. | 6,304,607 | Balance to credit of | |
| Balance to credit of } commerce .. } | 424,343 | Supplies to Bencoolen, &c. .. | 66,217 | commerce at the } close of 1792-3. } | 424,343 |
| | | Interest on debt paid .. | 636,226 | | |
| | | Decrease of debt at interest .. | 936,954 | | |
| | | Ditto of floating debt .. | 234,101 | | |
| | | Increase of cash and bills on hand | 7,260 | | |
| | | Loss on remittances and consign- | | | |
| | | ments from port to port .. | 51,377 | | |
| | | Losses written off at the several | | | |
| | | Presidencies | 27,143 | | |
| | | Increase of dead stock, supposed | | | |
| | | bought in India | 11,765 | | |
| | | Stores exported to the Presiden- | | | |
| | | cies and St. Helena | 202,929 | | |
| | | Sums paid in England, supposed | | | |
| | | chargeable to territory. | | | |
| | | N.B. 1793-4 | 171,392 | | |
| £ | 8,649,971 | £ | 8,649,971 | | |
| | | | | | |
| Total Revenues 1793-4 | 8,276,770 | Total charges of 1793-4 .. | 6,066,924 | Interest at 8.17 per } | |
| | | Supplies to Bencoolen | 40,822 | cent. .. } | 34,669 |
| | | Interest on debt | 526,205 | Commerce Cr. .. | 459,012 |
| | | Decrease of debt and at interest | 654,092 | | |
| | | Ditto of floating Debt .. | 12,316 | | |
| | | Increase of cash and bills on hand | 125,052 | | |
| | | Loss, losses and increase of dead | | | |
| | | stock | 90,285 | | |
| | | Stores exported to the Presiden- | | | |
| | | cies and St. Helena | 187,464 | | |
| | | Sums paid in England, supposed | | | |
| | | chargeable to territory .. | 171,392 | Balance to debit of } | |
| | | On Chinsurah cause | 567 | commerce .. } | 401,651 |
| | | Balance to debit of commerce.. | 401,651 | | |
| £ | 8,276,770 | £ | 8,276,770 | Commerce Cr. at the } | |
| | | | | close of 1793-4. } | 57,36 |

(continued)

6 Oct. 1881.

Petition from
Bombay.

diversified in sacred rites and observances, and in social manners and usages. The Supreme Courts of Judicature, where they have jurisdiction over the matter to be tried, whether civil or criminal, have also power to summon witnesses, and to execute all their orders and judgments, whether by arrest of the person, or by seizure and sale of property, throughout the whole of the territories under the Presidencies at which those courts are respectively established. Those courts, in the execution of their processes and orders, have always been scrupulously observant of the religious doctrines, rites, and observances, and of the manners and usages of the Natives. The experience of more than half a century at Calcutta, and of more than a quarter of a century at Madras and Bombay, has proved that life, property, character, and personal liberty, can be protected by His Majesty's Courts of Justice, without violation of the religions, manners, and usages of the Natives. We appeal to that evidence, to contradict erroneous reports, which have been sedulously propagated, and have too long been acquiesced in, that the introduction of courts of justice into India, strictly administering the law for the protection of life, property, character, and personal liberty, is incompatible with the religions, manners, and usages of the Natives, and would be highly offensive to them. Miserable indeed would be the condition of mankind, if the duties of judges could not be executed without offending the religions, manners, and usages of those over whom they have jurisdiction. Reports also have long prevailed, and been acquiesced in, that the religions, manners, and usages of the Natives of India repelled their employment in judicial functions, and that they had not capacity to perform them. The unprejudiced mind of Sir Alexander Johnstone controverted the truth of that report; and the experience of five years at Calcutta, Madras, and Bombay, has demonstrated the willingness of the Natives to aid in the administration of justice, even in the unpleasant office of jurors on trials for crimes, and their utility as jurors has been repeatedly declared by the Supreme Court at Bombay.

By the Charters of Justice of all the Supreme Courts of Judicature in India, and of the former Recorders' Courts at Madras and Bombay, all British subjects, and all Natives who, directly or indirectly, are employed in the service of His Majesty, or of the United Company of Merchants trading to the East-Indies, or of any of His Majesty's British subjects, are subject to the civil jurisdiction of those courts, in all actions for wrongs or trespasses; and the same persons, by the Acts 4 Geo. 4, c. 71, and 9 Geo. 4, c. 74, and the Charters of the Supreme Courts, are subject to the jurisdiction of those courts, for the crimes specified in 9 Geo. 4, c. 74. In those provisions we recognize the wisdom, justice and humanity, of our Gracious Sovereign Lord the King, and of the two Houses of Parliament. It was apprehended that persons exercising public authority would injure the Natives, and for civil torts and for crimes the whole of them are placed under the jurisdictions of the Supreme Courts. But those laws have been little more than a dead letter: they are unknown, except at the Presidencies and in their vicinity. We therefore earnestly entreat, that whatever laws may be enacted for the amelioration of the condition of the Natives of India, that effectual means may be provided to ensure the real and practical utility of those laws, and that they may not be, as some Acts of Parliament have been, mere nominal benefits to the Natives.

By several Acts of Parliament, the governments at Calcutta, Madras, and Bombay, have authority to frame Regulations for the Provincial Courts, and which His Majesty in Council may disallow or amend; and if not disallowed within two years, they are to be of force and authority to direct the Provincial Courts, according to the tenor of the said amendment; and those Regulations are annually to be laid before the two Houses of Parliament. In those enactments we again perceive the desire of Parliament to benefit the Natives of India, by administering justice to them according

No. 2.—Statement of Receipts and Charges of the Indian Territory, &c.—continued.

| | £. | | £. | | £. |
|---|------------|---|------------|--|-----------|
| Total revenues 1794-5 | 8,026,193 | Total Charges of 1794-5 .. | 6,083,507 | Commerce Cr. at the close of 1793-4 } | 57,361 |
| | | Supplies to Bencoolen .. | 62,080 | Interest at 7·87 per cent. .. } | 4,514 |
| | | Interest on debt .. | 484,301 | Commerce Cr. .. | 61,875 |
| | | Decrease of debt at interest .. | 203,846 | | |
| | | Ditto of floating debt .. | 302,479 | | |
| | | Increase of cash and bills on hand | 122,124 | | |
| | | Loss, losses and increase of dead stock .. | 90,285 | | |
| | | Stores exported .. | 171,928 | | |
| | | Sums paid in England .. | 163,399 | Balance to debit of commerce .. } | 342,244 |
| | | Balance to debit of commerce .. | 342,244 | Commerce Cr. at the close of 1794-5 } | 280,369 |
| £ | 8,026,193 | £ | 8,026,193 | | |
| Total revenues 1795-6 | 7,866,094 | Total charges of 1795-6 .. | 6,474,247 | Interest at 7·47 per cent. .. } | 20,943 |
| Increase of debt at interest .. } | 268,558 | Supplies to Bencoolen .. | 104,154 | | |
| Ditto of floating debt .. | 68,392 | Interest on debt .. | 414,750 | | |
| Decrease of cash and bills on hand .. } | 295,383 | Loss, losses and increase of dead stock .. | 90,285 | | |
| | | Advances on account of Ceylon, &c. claim on Government .. | 28,636 | | |
| | | Ditto .. ditto .. claim not admitted .. | 7,759 | | |
| | | Payment to creditors of the Rajah of Tanjore .. | 64,044 | Balance to debit of commerce .. } | 741,766 |
| | | Stores exported .. | 253,560 | Commerce Dr. at the close of 1795-6 } | 1,043,078 |
| | | Sums paid in England .. | 109,128 | | |
| | | On Chinsurah cause .. | 120,098 | | |
| | | Balance to debit of commerce .. | 741,766 | | |
| £ | 8,498,427 | £ | 8,498,427 | | |
| Total revenues 1796-7 | 8,016,171 | Total Charges, 1796-7 .. | 7,081,191 | Interest at 7·53 per cent. .. } | 78,544 |
| Increase of debt at interest .. } | 1,784,423 | Supplies to Bencoolen .. | 101,190 | | |
| Ditto of floating debt .. | 258,428 | Interest on debt .. | 426,847 | | |
| Decrease of Cash and bills on hand .. } | 312,227 | Loss, losses and increase of dead stock .. | 90,285 | | |
| Received on Chinsurah cause .. } | 59,143 | Advances on account of Ceylon, &c. .. | 132,994 | | |
| | | Payment to the creditors of the Nabob of Arcot .. | 1,058,953 | | |
| | | Bonds to the creditors of the Rajah of Tanjore .. | 42,820 | | |
| | | Stores exported .. | 230,417 | Balance to debit of commerce .. } | 854,598 |
| | | Sums paid in England .. | 375,097 | Commerce Dr. at the close of 1796-7. } | 1,976,220 |
| | | Balance to debit of commerce .. | 854,598 | | |
| £ | 10,394,392 | £ | 10,394,392 | | |

6 Oct. 1891.

Petition from
Bombay.

to their own laws, and with a scrupulous attention to their religions, manners and usages; and the governments in India, from a supposition of their having the most correct knowledge on those matters, were entrusted with the execution of that power, subject to the revision of His Majesty in Council. But that power has been the great cause of the degradation of the Natives. The uniform construction of those enactments has been, that it authorizes the governments in India to make and repeal laws, civil and criminal; to make and annul courts of justice, civil and criminal, and to legislate absolutely over the Natives residing beyond the ordinary jurisdiction of the Supreme Courts, wherever there is no specific enactment of Parliament on the subject. It is from the existence of that power, that laws have been enacted for the Natives, and courts of justice established to administer them, that have stamped upon the Natives of India the character of a conquered, distinct, and degraded people. The Criminal Code in force under this Presidency, is among the records of your Honourable House, and we refer to it in confirmation of our assertions, that it is vague in its language; that it regulates too much in detail the actions of the natives; that it abounds in severe discretionary punishments, by way of fine or imprisonment, or both; that it has an endless repetition of commutation of imprisonment for a fine; that the truth of facts is left to the decision of the British Judge, without any effectual control in persons of the description of the accused; and that the Judge has no sympathy with the persons subject to his criminal jurisdiction. Throughout the judicial regulations of the Bombay Government, there is not one on the principle of the writ of *Habeas Corpus ad subjiciendum*; and we believe that the same observation applies to the judicial regulations framed by the governments at Calcutta and Madras. Your Honourable House well understand the extensive range of human happiness that is protected by that writ: all there is in strong contrast with the criminal jurisdiction at the Presidencies. The gentlemen appointed judges in the courts, civil and criminal, are extremely deficient in the knowledge necessary to perform their duties. Courts of justice are principally constituted for the security of life, of property, of character, and of personal liberty; and your Honourable House well know the great and various qualifications that are required in a judge, to perform those duties. But the judges of the Provincial Courts, Civil and Criminal, have no strong motive to stimulate them to acquire those qualifications. This is a fundamental and incorrigible vice in the judicial system. The change from one department of the civil service to another, is also too frequent to admit the acquisition of the necessary ability in the judge: at one time he is in a ministerial office at the Presidency; at another, he is in the judicial department in the Provinces; at another, he is in the collectorate in the Provinces; and at another, he is in the political department. At this time, the Chief Judge of the Sudder Dewannee Adawlut, and the Sudder Fowjdaree Adawlut at Bombay, that is, of the Supreme Courts of Appeal in Civil and Criminal cases, is a gentleman who never was in the judicial department until he was made the Chief Justice of those courts. The Civil Courts are also extremely defective, from the almost total absence of the intelligence of the Natives, in the ascertainment of facts. The defects in the judicial system, which we have noticed, we presume to hope, would attract the attention of your Honourable House, even if the judges always meant to do right; but the truth is, that those judges are the principal instruments of wrong, particularly of false imprisonment, to the Natives; and those acts of injustice are committed with ostentatious indifference to the feelings of those who suffer, and to the opinion of the Native community. We particularly allude to the false imprisonment of Balloo bin Hurryram Sinday, Hindoo; of Runsood Kesowjee, Hindoo; of Narroba Govind Oughtia, Hindoo; and of Dhondoo Bullol, Hindoo; all proved in the Supreme Court of Judicature at Bombay. The two former committed at Tannah, within 15 miles of the Island of Bombay; and the other two

at

No. 2.—Statement of Receipts and Charges of the Indian Territory, &c.—*continued.*

| | £. | | £. | | £. |
|---|------------|---|------------|----------------------------------|-----------|
| Total revenues 1797-8 | 8,059,880 | Total charges, 1797-8 .. | 7,411,401 | Commerce Dr. at the | |
| Increase of debt at interest .. | 1,437,188 | Supplies to Bencoolen .. | 163,299 | close of 1796-7 .. | 1,976,220 |
| Ditto of floating debt | 286,667 | Interest on debt .. | 603,926 | Interest at 7·72 per cent. .. | 152,564 |
| Decrease of cash and bills on hand .. | 166,403 | Loss, losses and increase of dead stock .. | 90,285 | | |
| | | Advances on account of Ceylon, &c. .. | 171,365 | | |
| | | Bonds to the creditors of the Rajah of Tanjore .. | 89,045 | Balance to debit of commerce .. | 953,737 |
| | | Stores exported .. | 263,296 | | |
| | | Sums paid in England .. | 203,784 | Commerce Dr. at the | |
| | | Balance to debit of commerce .. | 953,737 | close of 1797-8 .. | 3,082,521 |
| £ | 9,950,138 | £ | 9,950,138 | | |
| Total revenues 1798-9 | 8,652,033 | Total charges of 1798-9 .. | 8,417,813 | Interest at 8·49 per cent. .. | 261,706 |
| Increase of debt .. | 1,060,889 | Supplies to Bencoolen .. | 120,668 | | |
| Ditto of floating debt | 656,889 | Interest on debt .. | 721,550 | | |
| Payment from Government on account of advances .. | 200,000 | Increase of cash and bills on hand | 40,823 | | |
| | | Loss, losses and increase of dead stock .. | 90,285 | | |
| | | Advances on account of Government .. | 162,697 | Balance to debit of commerce .. | 332,908 |
| | | Bonds to the creditors of the Rajah of Tanjore .. | 83,732 | | |
| | | Stores exported .. | 298,599 | Commerce Dr. at the | |
| | | Sums paid in England .. | 300,736 | close of 1798-9 .. | 3,677,135 |
| | | Balance to debit of commerce | 332,908 | | |
| £ | 10,569,811 | £ | 10,569,811 | | |
| Total revenues 1799-1800 .. | 9,736,672 | Total charges of 1799-1800 .. | 8,998,154 | Interest at 9·00 per cent. .. | 330,942 |
| Increase of debt .. | 1,852,149 | Supplies to Bencoolen .. | 171,363 | | |
| Payment from Government on account .. | 200,000 | Interest on debt .. | 957,236 | Commerce Dr. .. | 4,008,077 |
| Balance to credit of commerce .. | 518,426 | Decrease of floating debt .. | 437,379 | Balance to credit of commerce .. | 518,426 |
| | | Increase of cash and bills on hand | 723,561 | | |
| | | Loss, losses and increase of dead stock .. | 90,285 | | |
| | | Advances on account of Government .. | 144,997 | | |
| | | Bonds to the creditors of the Rajah of Tanjore .. | 9,459 | | |
| | | Stores exported .. | 500,996 | | |
| | | Sums paid in England .. | 273,817 | | |
| £ | 12,307,247 | £ | 12,307,247 | Commerce Dr. at the | |
| | | | | close of 1799-1800 .. | 3,489,651 |

(continued.)

6 Oct. 1831.

Petition from
Bombay.

at Poona, within 100 miles of Bombay, and between both which places and Bombay there is a constant intercourse. It is therefore no exaggeration in us to affirm, that the laws administered to the Natives beyond the Presidencies, and the Courts of Justice appointed to administer those laws, stamp upon the Natives the character of a conquered, distinct, and degraded people.

It is true, that the impartiality in the Courts of Justice, that we have presumed to solicit and enforce, will be offensive to some of the connections and adherents of former sovereigns, who had privileges in some respects exempting them from the jurisdiction of courts of justice : as for instance, the Sirdars in the Dekan, whose privileges have been conceded to them by a regulation of the Bombay government, Regulation 29, A.D. 1827. But we are sure that your Honourable House will not expose the meanest of His Majesty's subjects in India to injury in life, property, character or personal liberty, in complaisance to the vicious pride of those personages.

We implore your Honourable House, earnestly and without prejudice, to reflect on the condition of the Natives inhabiting His Majesty's territories in India ; in number they exceed sixty millions ; the greater part of them are His Majesty's natural born subjects, and almost all the rest are denizens. This immense population, who have strong, natural and legal pretensions to participate in the advantages of society, are almost entirely excluded from offices of trust and emolument. It is impossible for your Honourable House to credit misrepresentations, obviously originating in prejudice and self-interest, that confound the whole Native population into one mass of ignorance and corruption. The Natives of the territories now British India, were highly civilized, and by their various manufactures, largely contributed to the splendour of Thebes, of Palmyra, and of ancient Alexandria, when the inhabitants of one of the most powerful and illustrious kingdoms of modern Europe, lived in woods, and fought with bows and arrows and clubs. Whatever injury has been done to their understandings and moral principles, by the long continuance of despotism, will easily and rapidly be rectified by courts of justice, intelligently and impartially administering justice among them ; and by their admissibility into honourable and profitable offices in the judicial, territorial, and financial departments, being made to depend on their intellectual and moral character. The dynasties of the sovereigns of the territories conquered by the British arms, were of very short duration ; those sovereigns never had a strong hold on the affections of their subjects, and since those conquests, the Natives have always manifested a desire to coalesce with the Crown of the United Kingdoms ; their wishes to do so have been repelled even with contumely. Upwards of sixty millions of His Majesty's subjects are at this time disjointed, loose and floating on the surface of India. Nothing is more easy than to consolidate this immense population into one mass of cohesion with His Majesty's territories ; administer justice to them wisely and impartially, and reward intellectual and moral merit, with honourable and profitable offices, both at the Presidencies and in the provinces, and the principle of cohesion will circulate through the whole body.

With a view to the same principle of cohesion, we venture to suggest, that it is highly politic to introduce the English language into the vernacular languages of India ; and with that intention, for Parliament to enact, that no native after the period of 12 years, shall be admissible into any office in the judicial, territorial, or financial departments, unless his competency in reading, writing, and speaking the English language, has been certified by a committee appointed for his examination. The children of the Natives of India have great aptitude in learning to read, write, and speak the English language. Since the institution of schools for the instruction of the Natives in the English language, under the advice and patronage of the Honourable Mountstuart Elphinstone, Governor of Bombay, many of the children

of

No. 2.—Statement of Receipts and Charges of the Indian Territory, &c.—*continued.*

| | £. | | £. | | £. |
|------------------------|--------------|------------------------------------|--------------|------------------------|-----------|
| Total revenues 1800-1 | 10,485,059 | Total charges of 1800-1 .. | 10,405,501 | Commerce Dr. at the | |
| Increase of debt .. | 2,471,890 | Supplies to Bencoolen .. | 156,325 | close of 1799-1800 } | 3,489,651 |
| Ditto of floating debt | 139,417 | Interest on debt .. | 1,062,684 | Interest at 8·86 per | |
| | | Increase of cash and bills on hand | 92,260 | cent. .. } | 309,183 |
| | | Loss, losses and increase of dead | | | |
| | | stock | 90,285 | | |
| | | Advances on account of Govern- | | | |
| | | ment | 123,394 | | |
| | | Stores exported | 398,033 | | |
| | | Complement of expenses of St. | | | |
| | | Hclena | 56,537 | | |
| | | Sums paid in England .. | 307,635 | Balance to debit of } | |
| | | Balance to debit of commerce | 403,712 | commerce .. } | 403,712 |
| | £ 13,096,366 | | £ 13,096,366 | Commerce Dr. at the | |
| | | | | close of 1800-1. } | 4,202,546 |
| Total revenues 1801-2 | 12,163,589 | Total charges of 1801-2 .. | 11,023,452 | Interest at 8·98 per | |
| Increase of debt .. | 1,413,621 | Supplies to Bencoolen .. | 241,220 | cent. .. } | 377,388 |
| Ditto of floating debt | 379,816 | Interest on debt .. | 1,386,593 | Commerce Dr. .. | 4,579,934 |
| Balance to the credit | | Increase of cash and bills on hand | 508,960 | Balance to credit of } | |
| of commerce .. } | 658,493 | Loss, losses and increase of dead | | commerce .. } | 658,493 |
| | | stock | 90,285 | | |
| | | Advances on account of Govern- | | | |
| | | ment | 481,113 | | |
| | | Stores exported | 401,166 | | |
| | | Sums paid in England .. | 482,730 | | |
| | £ 14,615,519 | | £ 14,615,519 | Commerce Dr. at the | |
| | | | | close of 1801-2. } | 3,921,441 |
| Total revenues 1802-3 | 13,464,537 | Total charges of 1802-3 .. | 10,965,427 | Interest at 8·78 per | |
| Increase of debt .. | 1,123,466 | Supplies to Bencoolen .. | 196,848 | cent. .. } | 344,302 |
| Ditto of floating debt | 44,907 | Interest on debt .. | 1,361,453 | | |
| | | Increase of cash and bills on hand | 403,675 | | |
| | | Loss, losses and increase of dead | | | |
| | | stock | 90,285 | | |
| | | Advances on account of Govern- | | | |
| | | ment | 92,260 | | |
| | | Stores exported | 401,168 | | |
| | | Sums paid in England .. | 393,207 | Balance to debit of } | |
| | | Balance to debit of commerce | 728,587 | commerce .. } | 728,587 |
| | £ 14,632,910 | | £ 14,632,910 | Commerce Dr. at the | |
| | | | | close of 1802-3. } | 4,994,330 |

of the Natives read, write, and speak the English language with facility and fluency. Besides the principle of cohesion which we have noticed, a knowledge of the English language extensively dispersed among the Natives of India, will afford great facilities for the future improvement of the judicial system in India.

6 Oct. 1831.

Petition from
Bombay.

Illustrious legislators, benefactors of the human race, your persevering and intelligent exertions to abolish the trade in slaves, have spread the fame of your humanity over the whole world. The destiny of upwards of sixty millions of human beings depends upon your councils; they are the natural born subjects, or the denizen subjects of your own Sovereign. We are sure that you will be eager to redress the wrongs we have submitted to you.

Knowing, as we do, the propensity to misrepresentation that will be active against the Natives of India, and that it will be suggested, that this petition does not contain the real opinions of all who have signed it, we have taken the liberty to subjoin to it, a translation into the Goozaratee and Mahratta languages, the languages in most frequent use in Bombay; and if in having so done, we have transgressed any of the rules of your Honourable House, we crave your indulgence and pardon.

And your Petitioners, as in duty bound, will ever pray, &c.

[Signed by a Committee of four persons, and by upwards of four thousand respectable Native Inhabitants of Bombay, of every religion.]

Bombay, 25 January, 1831.

Then Major General Sir LIONEL SMITH, K.C.B. was called in; and examined.

5444. How long have you resided in India, and in what parts?—I was altogether twenty-two years and three months, in the western side of India.

6 Oct. 1831.

5445. In which service were you?—In His Majesty's military service.

Major-Gen.
Sir L. Smith, K.C.B.

5446. Were not you a considerable portion of your time in command of detached corps, which brought you very much in contact with the natives of the country?—For six years of that time I was in Bombay, but very much employed in foreign service in different expeditions, in the Isle of France, the Persian Gulf, and different places; and the remainder of that time I was in the Deccan, with another exception of an expedition up the Persian Gulf.

5447. In the commands you had in India, had you not necessarily much intercourse with the natives of all classes?—I believe I may say I had as much intercourse with them as any officer who neither held any political or civil situation.

5448. Do you speak any of the languages of the country where you were?—Very little.

5449. Hindoostanee?—Very trifling; I could not say that I could converse in it with fluency.

5450. Have:

No. 2.—Statement of Receipts and Charges of the Indian Territory, &c.—*continued*.

| | £. | | £. | | £. |
|------------------------|------------|------------------------------------|------------|----------------------|-----------|
| Total revenues 1803-4 | 13,271,385 | Total charges of 1803-4 .. | 13,001,083 | Commerce Dr. at the | |
| Increase of debt .. | 1,985,436 | Supplies to Bencoolen .. | 304,056 | close of 1802-3. } | 4,994,330 |
| Ditto of floating debt | 563,793 | Interest on debt .. | 1,394,322 | Interest at 8·50 per | |
| Decrease of cash and | | Loss, losses and increase of dead | | cent. .. } | 424,518 |
| bills on hand .. } | 13,692 | stock | 90,284 | | |
| Payment by Govern- | | Advances on account of Govern- | | | |
| ment on account. . } | 1,000,000 | ment | 105,817 | | |
| | | Stores exported .. | 295,531 | Balance to debit of | |
| | | Sums paid in England .. | 435,224 | commerce .. } | 1,207,989 |
| | | Balance to debit of commerce | 1,207,989 | Commerce Dr. at the | |
| £ 16,834,306 | | £ 16,834,306 | | close of 1803-4 } | 6,626,837 |
| | | | | | |
| Total revenues 1804-5 | 14,949,395 | Total charges of 1804-5 .. | 14,548,433 | Interest at 8·34 per | |
| Increase of debt .. | 2,581,644 | Supplies to Bencoolen .. | 372,163 | cent. .. } | 552,678 |
| Ditto of floating debt | 923,505 | Interest on debt .. | 1,566,750 | | |
| | | Increase of cash and bills on hand | 224,543 | | |
| | | Loss, losses and increase of dead | | | |
| | | stock | 90,283 | | |
| | | Advances on account of Govern- | | | |
| | | ment | 101,731 | Balance to debit of | |
| | | Stores exported. . | 349,495 | commerce .. } | 715,542 |
| | | Sums paid in England .. | 485,604 | Commerce Dr. at the | |
| | | Balance to debit of commerce .. | 715,542 | close of 1804-5. } | 7,895,057 |
| £ 18,454,544 | | £ 18,454,544 | | | |
| | | | | | |
| Total revenues 1805-6 | 15,403,409 | Total charges of 1805-6 .. | 15,561,328 | Interest at 8·41 per | |
| Increase of debt .. | 3,153,684 | Supplies to Bencoolen .. | 250,599 | cent. .. } | 663,974 |
| Payment by Govern- | | Interest on debt .. | 1,860,090 | | |
| ment on account. . } | 1,000,000 | Decrease of floating debt .. | 278,276 | Commerce Dr. .. | 8,559,031 |
| Balance to credit of | | Increase of cash and bills on hand | 1,104,532 | Balance to credit of | |
| commerce .. } | 801,082 | Loss, losses and increase of dead | | commerce. .. } | 801,082 |
| | | stock | 90,283 | | |
| | | Advances on account of Govern- | | | |
| | | ment | 84,231 | | |
| | | Stores exported .. | 553,041 | | |
| | | Sums paid in England .. | 575,795 | Commerce Dr. at the | |
| £ 20,358,175 | | £ 20,358,175 | | close of 1805-6 } | 7,757,949 |

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Major-Gen.
Sir L. Smith, K.C.B.

5450. Have you perused two petitions presented lately to the House of Commons from native inhabitants of the island of Bombay?—I have.

5451. Have you seen the list of the petitioners?—I have; I know a good many of the natives who have signed them.

5452. Do you consider the petitions to express the genuine sentiments of the petitioners?—I should certainly think so with regard to Bombay. I have doubts whether they express fairly and candidly the opinion of the people of the Deccan. I have no doubt at all with regard to the island of Bombay, that it expresses the real feelings of the community.

5453. Are you aware that the native inhabitants of Bombay were declared a few years ago qualified to serve as petit jurors in all criminal trials in His Majesty's courts, and if so, can you inform the Committee how they have conducted themselves since they were so appointed?—I have never attended any trial so as to enable me to speak from personal knowledge, but I have understood that they discharged their duties very usefully.

5454. You are aware, that by the Act of Parliament which renders them eligible to serve as petit jurors, Mohammedans, Hindoos, Parsees and others, are expressly excluded from serving on juries for the trial of Christians of whatever denomination; do you consider this restriction as judicious or otherwise?—I consider that very injudicious; I think they have attained a sufficient degree of intelligence to be admitted to all the privileges of jurors; that is, the inhabitants of Bombay; I beg to be understood as not speaking of the people of the Deccan, who are a totally distinct race at present, in knowledge and prejudices.

5455. Do you consider that there are a sufficient number of natives within the island of Bombay, capable from their knowledge, integrity and intelligence, to serve as grand jurors on trials?—I should say certainly there are a number of remarkably intelligent well-educated men among them at Bombay, particularly the Parsees.

5456. Are there many natives of Bombay possessing a competent knowledge of the English language?—Yes; I should say so, nearly the whole of the Parsees speak English; the twenty-two years I have known them, they have invariably educated their children in English, and they can read and speak it as fluently as many Europeans, many of them.

5457. If there were a regulation of government, that no native could be employed in any way under government, unless qualified by their knowledge of English reading and writing, do you think that would soon lead to the general education of the higher class of the country?—It is in such extensive progress now, I hardly think it could be more extended; they are educated universally in it; undoubtedly it would be a very great advantage to them.

5458. Do you apply that observation to Bombay only?—To Bombay; education

No. 2.—Statement of Receipts and Charges of the Indian Territory, &c.—*continued.*

| | £. | | £. | | £. |
|---|------------|---|--------------|--|-------------|
| Total revenues 1806-7 | 14,535,739 | Total charges of 1806-7 | 15,283,908 | Commerce Dr. at the | |
| Increase of debt | 1,923,689 | Supplies to Bencoolen | 179,197 | close of 1805-6 | 7,757,949 |
| Payment by Govern- ment on account | 1,000,000 | Interest on debt | 2,224,956 | Interest at 8-69 per | 674,166 |
| Balance to credit of commerce | 1,727,734 | Decrease of floating debt | 181,387 | cent. | |
| | | Increase of cash and bills on hand | 73,850 | Commerce Dr. | 8,432,115 |
| | | Loss, losses and increase of dead stock | 90,282 | Balance to credit of commerce | 1,727,734 |
| | | Advances on account of Govern- ment | 24,351 | | |
| | | Stores exported | 637,148 | Commerce Dr. at the | |
| | | Sums paid in England | 492,083 | close of 1806-7 | 6,704,381 |
| £ 19,187,162 | | | £ 19,187,162 | | |
| Total revenues 1807-8 | 15,701,086 | Total charges of 1807-8 | 13,635,256 | Interest at 8-45 per | 566,520 |
| Increase of debt | 1,556,441 | Supplies to Bencoolen | 121,725 | cent. | |
| Ditto of floating debt | 207,037 | Interest on debt | 2,145,844 | Commerce Dr. | 7,270,901 |
| Balance to credit of commerce | 1,715,069 | Increase of cash and bills on hand | 2,245,546 | Balance to credit of commerce | 1,715,069 |
| | | Loss, losses and increase of dead stock | 90,282 | | |
| | | Stores exported | 435,183 | Commerce Dr. at the | |
| | | Sums paid in England | 505,797 | close of 1807-8 | 5,555,832 |
| £ 19,179,633 | | | £ 19,179,633 | | |
| Total revenues 1808-9 | 15,546,948 | Total charges of 1808-9 | 13,284,169 | Interest at 8-23 per | 457,245 |
| Payment by Govern- ment in final settle- ment of claims up to 1st March 1808 | 1,096,928 | Supplies to Bencoolen | 176,707 | cent. | |
| Balance to credit of commerce | 2,764,798 | Interest on debt | 2,309,836 | Commerce Dr. | 6,013,077 |
| | | Decrease of debt | 822,289 | | |
| | | Ditto of floating debt | 373,089 | Balance to credit of commerce | 2,764,798 |
| | | Increase of cash and bills on hand | £. 680,163 | | |
| | | Treasure on passage from Bengal to Madras | 717,561 | | |
| | | | 1,397,724 | | |
| | | Loss, losses and increase of dead stock | 90,282 | | |
| | | Bonds to the creditors of the Na- bob of Arcot | 7,138 | | |
| | | Stores exported | 396,674 | | |
| | | Sums paid in England | 550,766 | | |
| £ 19,408,674 | | | £ 19,408,674 | Commerce Dr. at the close of 1808-9 | 3,248,279 |
| Add, amount of political freight and demurrage repaid by Government, the dates of repayment not given. (See App. 46, to Third Report.) | | | | | 289,076 |
| Balance at the Debit of Commerce at the close of 1808-9, subject to divers Adjustments | | | | | £ 3,537,355 |

| £. | to the Debit of Territory. | ADJUSTMENTS. | to the Credit of Territory. |
|----|----------------------------|--------------|-----------------------------|
| .. | .. | .. | .. |
| .. | .. | .. | .. |
| .. | .. | .. | .. |
| .. | .. | .. | .. |

(continued..)

education is also going on in the Deccan, but it is quite in its infancy ; they are quite a different people.

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5459. Is there any encouragement given to them?—A very liberal establishment by the government, under the direction of an officer of very great attainments in the native languages, Captain Jarvis.

Major-Gen.
Sir I. Smith, K.C.B.

5460. When you speak of the Deccan as an exception to the island of Bombay, do you confine yourself to the territories latterly acquired from the Peishwa, or extend it to other parts?—I confine my observations to the country I am best acquainted with, the western side of the Deccan, the territories of the late Peishwa.

5461. You do not consider yourself competent to speak of what may be the disposition or qualification of the natives in other districts, that have been longer under the Company's government?—There are none in that country that have been longer under the Company in the Deccan.

5462. Have you been in the Guzzerat district?—I have, but not sufficient to enable me to speak of the people ; they have been much longer under British influence, and have had a greater intercourse with the British, and I should think they are a very different people from what they are in the Deccan.

5463. You have stated there is a disposition among the natives of Bombay to acquire the English language ; are there any of them who have a taste for and a knowledge of English literature, such as is possessed by the Brahmins, and other inhabitants of Calcutta?—I should say quite as much or more than the Brahmins ; I consider the Parsees have more pride, and have taken more pains to understand English and all its laws and institutions, than any other class of persons in India, I should say they were by far the most intelligent ; Hindoos are also educating very fast, but I do not think they have made that great progress which the Parsees have.

5464. Are you aware that the intercourse with Europe, and the commerce with that part of India where you have been, has very considerably increased since 1814?—I really am not able to answer that question with any degree of satisfaction to myself ; I do not think, from what I have heard of Bombay, that there has been so much prosperity among the native merchants of late ; I do not think they are so rich and so independent as when I first went there ; *they were* immensely rich ; whether that has been from the failure of general trade I cannot say.

5465. From the intercourse you have had with the natives, how do you estimate the respective degrees of knowledge and intelligence possessed by the Parsee, Hindoo and Mohammedan inhabitants of Bombay?—I should say the Parsees decidedly are the most intelligent ; the next, the Hindoos ; the Mohammedans, generally speaking, are not so industrious, and have stronger prejudice against sending their children to school.

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Major-Gen.
Sir L. Smith, K. C. B.

5466. In one of the petitions it is suggested, that "it is highly politic to introduce the English language into the vernacular languages of India, and with that intention, for Parliament to enact that no native, after the period of twelve years, shall be admissible into any office in the judicial, territorial, or financial department, unless his competency in reading, writing, and speaking the English language has been certified by a committee appointed for his examination." Are you of opinion that the measure here suggested would add efficiency to the administration of justice, and by extending a knowledge of our institutions among the people of India, contribute to the consolidation of our dominion over them?—If gradually introduced, and the parties were carefully selected, I should say it would be an excellent thing; it is what must be done ultimately, and the sooner it is commenced the better.

5467. How would you propose to limit it?—By the talents, by the competency of the parties themselves, I think that should be looked to.

5468. If it is good for a few to know the language, would it not be better for all, looking to the general intercourse with their governors?—Undoubtedly; but I would have it done by degrees.

5469. The question refers to the education?—That would be very desirable.

5470. You concur in the propriety of increasing their intercourse with Europeans?—Decidedly; I think that ought to be done; it is what you must yield to them ultimately, and a great deal more.

5471. Will you explain what you mean by a great deal more?—Giving them all the privileges of English subjects in other parts of the world; not keeping them down with a distinction of colour, and because they are natives that they should be kept out of all the benefits of the administration of the laws of their own country.

5472. You conceive they should have the benefit which all British subjects have in legislation, or in institutions; that they ought to participate?—Yes; but gradually introduced. I would not take too many at once in the present state of the country; but I would let them feel that they are open to them.

5473. Having visited different parts of India, how do you estimate the degree of knowledge, intelligence, and integrity possessed by the better classes of the inhabitants of Bombay, in comparison with the better classes of the inhabitants of such of the provinces in the interior as you have visited?—I should say, certainly, the presidencies would give the most intelligence; the Mahrattas, whom I am best acquainted with, are naturally a very intelligent people, but they have been for ages in fact a military people, and a very lawless set, arising from the bad governments which were then over them, so their intelligence is not yet of a nature to apply to all uses.

5474. Would not the introduction of our general instructions, and the extension

2912. On what principle have you made out this interest account, presuming that all the principal items are taken from the official documents to which reference is here made?—It might perhaps have appeared more correct to have taken the sums chargeable to commerce from those Numbers of the Appendixes in which the sums advanced for investment are given; but upon attempting a comparison of those sums in the several Appendixes in which they are given, with the sums which appear to have remained over in the territorial treasury, I have never been able to make the least correspondence appear between them; I have therefore pursued this plan: I have taken the whole of the territorial receipts, whether in England or in India, in each year; and on the other hand, I have taken all the territorial outgoings or applications of those revenues; and the balance, where the outgoings appeared greater, I have assumed must have been supplied from the commercial funds; the balance has in that case been placed to the credit of commerce, and interest allowed to commerce on it; if there appeared on the other hand, to be a greater amount of receipts than there were of territorial outgoings and applications, the difference I have assumed to be the balance which has been paid over to commerce in India. There are, of course, many receipts and payments between the two branches in India, and this balance I consider to have been the balance of those transactions, and interest has been allowed to territory upon those balances.

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2913. Then you considered the receipts and payments in Europe and in India as one general account, and, having struck a general balance, you have charged, from the closing of the account, interest on the amount of such balance, according as territory or commerce appear to have received the surplus?—Exactly so.

2914. The balance of the statement to debit of commerce appears by this account to be £3,248,279; is that to be taken as the accurate balance?—There is to be added to it the sum of £289,076, received from government, but to which no date of receipt having been affixed, I could not introduce it into the interest account, but I left it to be added to the balance, with such interest upon it as may appear when the date is obtained from those competent to give it.

2915. In your calculations for the period between 1765 and 1779, do you derive them from the facts which are found in the Reports of the Committees in 1783, or from papers which were laid at that time before Parliament?—I have examined the account from 1771 to 1779, from the accounts published in the reports of the Committee of Secrecy contained in the eighth volume of those Reports. The account for the earlier period I have taken, out of the other publication I mentioned, the Compendium, which professes to give those accounts as ordered by the Committee of Secrecy, and laid before it.

2916. Are the papers laid before the Committee of Secrecy printed by order of Parliament?—They are printed in the fourth and eighth volume of those Reports.

Martis,

extension of our commerce to those districts, gradually remove that lawless, martial spirit which has existed under their former government?—Undoubtedly it would; but that ought to be done very gradually, for this reason, the jagbirdars and all the military classes are not some of them the best disposed; a great many of them still correspond with Bajee Row, and I think any too rapid change in that country from a military one, might tend to bring the government of the country into contempt; they are not prepared for them.

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Sir L. Smith, K. C. B.

5475. You allude to Bajee Row, he is the late Peishwa who is now in exile?—Yes? he is a very clever and artful man, and would take advantage of any opportunity which offered.

5476. In the gradual introduction of the civil institutions of Great Britain, would you consider it desirable that they should be introduced partly by native agents in conjunction with Europeans, or entirely by European agency?—I should mix them certainly, by preference. I am a great advocate for bringing the natives forward. I think that would show them they have much to expect.

5477. You would prepare by the general introduction of the English language?—Yes, certainly.

5478. In one of the petitions, the native inhabitants of Bombay solicit to be rendered eligible to serve as justices of the peace, in connection with Europeans; have you known any individuals whom you consider from knowledge and integrity capable of being entrusted with the commission of the peace, acting as the petition claims, in conjunction with a British-born subject?—I do know many natives, and I think it ought to be conceded to them. Comparing small things with great, before I came away from Poonah, in a little charitable institution I got up, and to which all the natives subscribed, I sat in committee myself with some native shopkeepers, and people of that kind. It was necessary to set an example: they are always humble, and they were every way respectful; we took orphan children to educate, and I was afraid they would take prejudice that we intended to make Christians of them. They were remarkably intelligent, and gave me a great deal of useful information how to conduct it; I would not scruple myself as to trusting them with magisterial authority.

5479. Do you think they would be useful as magistrates?—I think they would.

5480. Did you not find them very shrewd in the examination of witnesses, and searching out the truth?—The only way I can judge of that is, by native courts martial, where they are remarkably so; the native sepoys are tried by natives, and their spirit of research is, I might say, quite equal, if not superior to that of European officers.

5481. You have had a great deal of experience, enabling you to know the character of native officers?—I have.

Martis, 26^o die Julii 1831.

SIR JAMES MACDONALD, BART. in the Chair.

THOMAS LANGTON, Esq. called in, and examined.

26 July 1831.

T. Langton, Esq.

2917. IN your former examination you stated that the Third Report of 1811 had enumerated several adjustments which were required to be made in an account between the two branches of the East-India affairs, before a distinct view could be obtained of the relative situation of the two branches: you instanced the supplies to Bencoolen, and added that the charges of St. Helena were in the same predicament, being placed in the Fourth Report, among the doubtful items. Can you now inform the Committee on what grounds the whole of these charges have been treated as territorial charges since 1765?—It is stated in the Fourth Report, at p. 422, that the proprietary possession of St. Helena has, from a distant period, been vested in the East-India Company, as a port of refreshment for their ships engaged in the India trade, on their homeward-bound voyage. I am unable to say why the whole expense of the island has been thrown on the territory of India, from 1765 to the present time; as I presume the Company's commercial marine have always continued and still continue to avail themselves of the island for the same purposes for which it was originally ceded to the Company.

2918. That is the conclusion you draw from the Report?—Yes.

2919. Are you able to state what appeared to be the grounds on which the Third Report considers the supplies to Bencoolen to require adjustment, as regarded the charges either political or commercial?—As the shortest answer I can give, I beg leave to read a passage from the Second Report of the Select Committee of 1810, p. 60: "It has been remarked that this head of charge (Supplies to Bencoolen, Penang, &c.) may be considered as neither wholly political nor wholly commercial. This remark is in part justified by the charge itself, as in some years the advances to Bencoolen far exceeded the demands for the direct expenses of the residency, and must in such cases have been applied to the purchase of pepper, which is the principal article of the trade of the island, and is supposed to be the ground, in a commercial view at least, of its retention. The cultivation of other spices has been introduced there also, to a considerable extent, and the plantations are understood to be in a flourishing condition."

2920. Are these the grounds on which in your former evidence you considered

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Sir L. Smith, K.C.B.

5482. You have had also great means of knowing what Europeans officers have done?—I have.

5483. Speaking of the conduct of both deliberately, what is your opinion of the comparison?—I think, generally speaking, natives officers are on all questions of evidence, and certainly in reference to their own customs and laws, infinitely more to be depended upon than European officers.

5484. Are they educated much?—No, I am sorry to say they are not; the officers of the native army rise from the ranks invariably, and there are very few of the present age who are very well educated, but their intelligence is still remarkable.

5485. From what class of people are they taken?—All classes except the Parsees, who never enter into the army, but there are Mahometans, Hindoos, Mahrattas, high and low caste.

5486. Are the native officers much inferior in education to the shopkeepers in Bombay?—Yes, I think they are; there are great pains taking with the native regimental schools now, they will improve, but all the present race I consider certainly inferior.

5487. What means of education are there now of the native regiments in the west of India?—There are native schools established under the protection of government.

5488. Are they very generally attended?—All the boys are obliged to go; there is no compulsion necessary, they are very anxious, very willing, very ready.

5489. There is not found any religious prejudice to prevent their going?—No; we never interfere with their religion, they have native school-masters.

5490. Is it your opinion that the future class of officers will be much more intelligent?—Sir John Malcolm established allowances, to give to the sons of natives officers something superior; formerly the great objection of native officers to let their sons come into the army was, that they were obliged to come in as boys (there being so many allowed to each regiment) and there was no distinction between the sons of sepoys and officers. Sir John introduced a regulation by which there are ten or eleven native officers' sons in every regiment, who get something superior to reward their application, and have more means of study, and are not to be punished: the great objection was, that they were liable to corporal punishment, and the native officers would not permit them to come in in consequence, but by the recent regulation no native officer's son can be brought to corporal punishment.

5491. Are the prejudices of the native officers very much against corporal punishment?—I do not suppose, in its general application, they care much about it, but they did not like it as to their own sons, they thought it degraded them.

5492. Do

sidered these items ought not to have been charged to territory but to commerce?—I considered that at least it ought to have been examined what proportion of them were chargeable to commerce. It has been considered on some occasions that Bencoolen was wholly a commercial establishment; I believe the late Lord Liverpool expressed in Parliament the same opinion.

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2921. As these charges, before the acquisition of the Dewannee, were paid by commerce, and as since then they have been transferred to territory, have you made any calculation of what the amount is that the alteration of that charge has made in the Indian debt?—A great many millions. I had made no calculation on this head, except for the supplies to Bencoolen, from 1792-3 to 1808-9; but since my former examination, understanding there had been a wish expressed to know what would have been the effect if the territory has never been burthened with the payment of these charges, I have made a rough calculation, as far as the data within my reach enabled me, but keeping under the mark. I should hesitate to state the result, without premising that the only value I attach to the inquiry is, that it may serve to show those who think these charges comparatively unimportant, and the way in which they have been treated previous to 1814 of trivial consequence, how materially they have tended to swell out the territorial debt. The charges of St. Helena, from 1783-4 to 1827-8, with accumulating interest, amount to £10,700,000; and if those from 1765 to 1783, for which the data are imperfect, be taken at £20,000 annually (which is less than the lowest amount for which I have data), it would add above £8,000,000 to the former sum. The supplies to Bencoolen, from 1792-3 (before which date I have no regular data) up to 1824-5, when the settlement was given up, amount, with interest, to £18,500,000; the whole amounts to upwards of £37,000,000, of which some part may be correctly considered as territorial; but some part, what proportion it is not for me to say, must certainly be commercial.

2922. Are the Committee to understand that as a merchant you could make no correct account of either branch, without being able to determine what would be done with the large amounts you have stated?—I consider that some proportion of these undoubtedly ought always to be charged to commerce; if the account were to be settled as between man and man, it would be necessary to inquire what proportion ought to be charged to commerce.

2923. The account which you gave to the Committee at the close of your former examination relates only to transactions up to 1808-9, and you stated there was difficulty in completing the account up to the commencement of the present charter; will you state in what that difficulty consists?—The papers before the Committee presented in February 1830 do not afford the means of forming any clear conception of the state of the account between commerce and territory for this period, principally from there being no account of the advances made in India for the government, similar to those accounts

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5492. Do you think that the education of the native officers in the English language and English institutions, will render them more useful, and more efficient in supporting the civil servants of the government?—That is a very speculative question; if you increase their sources of education and intelligence, it must undoubtedly, in the end, tend to the driving us out of the country; you are in fact telling them how they may do so.

5493. Is there any other government in India where they can have better service than the English service?—The natives, I think, are more fond of their own service, though they are not so well paid. Perhaps they are treated with more consideration.

5494. Are not the remains of ancient institutions with them gradually falling off?—Perhaps it is, by the progress of instruction. They are a very intelligent people, it is not in human nature to suppose that when you have armed their minds with all this intelligence, they will not use it.

5495. If the British government, under which they are, is better than other governments, do not you think that will be sufficient to reconcile them to it?—I do not know any other government left that has any army; Hyderabad cannot be called an independent government.

5496. They seem to remain more or less distinct?—Yes, they are so, but still a wretched government, and nothing to compare to ours.

5497. Do you not consider that the knowledge of the superiority of our institutions will be the best security for their allegiance and good conduct?—Yes, for the present generation; but in the end I have no doubt they must feel their own power and consequence. It is hardly in human nature, that they can go on with the means of intelligence, and let a handful of Europeans govern them as we do now.

5498. In your experience of India, have you ever known of any Indian judge who possessed a knowledge of the vernacular languages and provincial dialects of India, superior to what a French gentleman of education might be supposed to possess of the English language, and of its provincial dialects?—Yes, really I should say there are many gentlemen who have a superior knowledge even of the native languages to many of the natives, except the very first caste of Bengal Brahmins. There are good Sanscrit scholars among the Europeans, and some who speak all the languages with great fluency. Within these few years, since Mr. Elphinstone's government, it is impossible that any body of men could improve more than the civil servants have on that side of India.

5499. You state that there are many of the natives who might be fairly entrusted with the commission of the peace, on condition of their acting in conjunction with British justices; have you any means of forming any comparison of their power of acting in conjunction with justices of the peace in England?—I have never held the situation, and I could not judge; but I think

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presented in the Appendixes, No. 4, to the First Report of 1808, No. 17, to the Third Report of 1811, and No. 52, to the Fourth Report of 1812.

2924. If this information was supplied, could you then complete the account up to the present period?—With the information described, I have no doubt I could shortly complete the account, and without that information this Committee has no means of judging of the result of the transactions of these five years, except from what Mr. Melvill states from that estimate, formed on principles, which, though now law, were not so previous to 1813, and which estimate has never been laid before Parliament. The accounts were investigated by the former Select Committee up to the close of 1808-9, and Mr. Melvill begins his elucidation of the accounts on the 7th June 1830, with the year 1814-15; so that the five intermediate years are thus withdrawn from all investigation, nor indeed are they susceptible of any that can be satisfactory, without the further information I have mentioned.

2925. You say that you are not able to give this account from want of data; if these data were supplied to you, are the Committee to understand you are satisfied that the account you prepared would bear a rigid examination by public accountants?—I have no reason to doubt it; but at the same time, I am quite prepared to expect that these results would be called in question by the East-India Company, and I am far from supposing that in what I have stated, and in the accounts I have drawn up, there may be no error or oversight; considering the nature of the materials I have had to work upon, such a supposition on my part would be very presumptuous, I have, however, no doubt of the general correctness of my view of these accounts; but if the Committee should deem it of importance to have the relative situation of the territorial and commercial branches closely examined into, and clearly ascertained up to the close of the last charter, without which no inquiry into the subsequent accounts can avail for any useful purpose, I venture humbly to offer my opinion, that this can only be effected by submitting the Parliamentary documents to two or three professional accountants, authorized to call for any supplementary information from the Company which they might deem requisite, and to examine the Company's accountants, and others who have studied the accounts, if they should desire it.

2926. In one part of Mr. Melvill's reply to question 5671, he says "The estimate formed on the principle of the plan of separation is mainly defective in its not comprehending the full extent of the claims of commerce upon territory, in respect of establishments instituted for shipping engaged for commercial objects, but afterwards wholly or in part employed for political purposes;" do you recollect that?—Yes.

2927. From your observations on these accounts, what appear to you to be the grounds for supposing them defective in the particulars mentioned by Mr. Melvill?—I must confess that I am ignorant to what establishments Mr. Melvill alludes; they cannot surely be these of Bencoolen or St. Helena. The charges of Prince of Wales Island, Sincapore, and Malacca are given in No. 1 (D.) of

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think they would discharge those duties with equal advantage with any magistrates in England; I am pretty sure many of them would.

5500. They are not ignorant of English law?—No, that is, the natives of Bombay; they are not a people who, if they were ignorant, would commit themselves, they would have themselves well informed: they are a very cautious people.

5501. Do you consider that the objection which has been made against natives acting as justices of the peace, as to their being ignorant of the customs and practices, would continue for any length of time, if they were once put into the power of occupying that situation?—No, I do not think it would; I think they would qualify themselves rapidly.

5502. Should you apprehend any inconvenience would arise in consequence of any jurisdiction which the natives as magistrates, might occasionally exercise over Europeans?—Not, certainly, at the presidencies, no inconvenience whatever; on the contrary, I should think it would be highly beneficial; I should object to it decidedly in the Deccan, for the reason I have stated, that the whole population is not yet sufficiently accustomed to Europeans.

5503. You are not acquainted with the Madras population?—No, I am not; I should have no objection to it every where in the Company's old provinces, but not touching the Deccan yet.

5504. You stated that there would be no objection to conferring the same eligibility on the inhabitants of the three presidencies; are you aware of any ground of distinction with respect to the population at Madras, as compared with the two others?—No, I should think it must be equally intelligent; they have all entered largely into connexion with European society, in commerce and other pursuits. I believe Bombay is the oldest settlement, and the Parsees are certainly a different race from what they have in any number either in Calcutta or Madras; but I should think there cannot be any great difference.

5505. You rather look upon the Deccan as a discontented country at the present moment?—Undoubtedly; it is so far discontented that the people have all been put out of their places. There was a large and expensive native court, where there were lacs and lacs of rupees spent every year; nearly all the rich people have now left Poonah, and it takes time to soften and heal such great changes in any country.

5506. The benefits of that native court of wealth and influence were necessarily confined to few; do you not think that by the continuance of peace, and the introduction of the civil institutions of the Company, that will be more than counterbalanced?—The body of the people in the Deccan are fast becoming agricultural, their military habits are subsiding from necessity; as to their having any great share of commerce, I question whether there are any sources for it; they raise grain, but there are not many means of selling it; there is a little trade between Bombay and the Deccan; sugar

of the February Papers, 1830, and are so ample as to give little countenance to Mr. Melvill's supposition, especially when the books are kept with that attention to accuracy described by him in answer to question 5668 ; and as to the other head of defectiveness, it will be seen, on reference to No. 46 of Appendix to the Third Report of 1811, and the Accountant-general's observations on it in the succeeding number of the Appendix, that political freight and demurrage is annually charged against the territory with great apparent minuteness. The Accountant-general there explains political freight and demurrage thus :—"Short tonnage, on which freight is allowed in consequence of the room reserved for accommodation of troops, demurrage, and every other charge incurred in consequence of the ships having been employed in carrying military stores from one presidency to another in India ; or as cartels, or while engaged in any other political service." The amount recovered from government under this head, exact to the place of units, £289,076, shows the minuteness with which the items from which commerce had to be relieved were picked out. (See No. 46 (a) of Appendix to the Third Report of 1811). Indeed it cannot have escaped the observation of any one who has at all looked into the accounts, that, so far from the interests of commerce having been neglected in them, there is apparent, both in great and small matters, a decided disposition to relieve commerce, and throw upon territory every charge that can with any show of plausibility be so disposed of. The charge of the Board of Commissioners, in direct contravention of the Act of 1793, has been already mentioned in my former examination, as also the East-India volunteers ; the supplies to Bencoolen and St. Helena have been spoken of to-day ; and many other items might be enumerated which have been charged and sought to be charged to territory, and with which it in fact had nothing to do.

2928. As you appear to have employed yourself a good deal in the accounts presented to Parliament by the East-India Company, will you, as a merchant, taking a view of these accounts, state to the Committee your opinion of the general character and manner in which they are framed?—My opinion coincides with that of every one with whom I have ever conversed on the subject, and who had looked into the accounts. What that opinion is I hardly need say. I am disposed to believe, not only from my own limited experience, but from the sentiments of many other mercantile men, that there can be no transactions, however complicated, which accountants of talents, ability, and experience, could not set forth and display in such a form as that they should be intelligible to all men of a plain understanding, and not unacquainted altogether with the nature of accounts ; and wherever, between individuals, accounts of an unintelligible character and contradictory in their details are presented, there will never be but one inference drawn from them—that either ignorance or bad faith presided at their preparation.

2929. Do you consider the accounts submitted to Parliament and to this Committee as contradictory?—In many particulars such contradictions are
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sugar and indigo and opium might be cultivated ; Malwa opium is said to be the finest in the world, but I believe the trade is glutted, for the Parsees do not want capital if they had found any encouragement, and the government would have aided them in such undertakings.

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5507. In speaking of the discontent, do you conceive that it arises from the heavy revenue which is raised by the Company now, in comparison to that the natives raised, or from what cause?—I do not think the ryots are a bit worse off than they were in Bajee Row's time, but they have not the same means of getting rid of their produce.

5508. Do not you think they are better protected now, and that they pay less?—Yes ; the government, in several bad years, made remissions to them in the amount of the taxes, but still the land revenue is very heavy.

5509. Are you able to judge whether the revenue, during the last twelve years that we have had possession of the Peishwa's country, has been more or less than under the Peishwa?—Decidedly less ; Bajee Row, when he was preparing to go to war with us, assessed his country very heavily ; I have no doubt the assessments, in the first instance, were laid by us at the same rates, but we have never severely exacted them.

5510. Are the Committee to understand that was the case immediately after the country fell into the hands of the English?—Perhaps after the first year or two the collectors were obliged to be very strict, from thinking it was the habit of the ryots to evade the duties ; but when it was found to be a real evil from failure of the crops, no government in the world could be more kind than they were by remissions, according to the produce. One of the great distinctions between our government and the Mahratta government is, that we cannot receive the produce in kind, Bajee Row used to do so occasionally. The Company never can do this ; they must have the value in money, for if they preserved the grain, it would give rise to immense establishments that would be ruinous.

5511. Then that mode of procuring the revenue must have been very severe?—Yes, it is a great evil to the country, no doubt, and we have been doing everything we can to remedy it.

5512. If Indian subjects were vested with such powers as are given by law to two or more justices of the peace within the special jurisdiction of the King's courts in India, would more or less authority be confided to them than is now confided in the provinces to tehsildars or native collectors?—I do not know that I could form a comparison exactly from my own knowledge, I should say that the tehsildars have very great powers, I believe they have the power of confinement.

5513. Have they the power of corporal punishment?—Not without the consent of the collector or the judge, I believe, but I believe they can imprison.

5514. Are you not aware that no such power as corporal punishment is now inflicted?—Except by a bench of magistrates, I think.

5515. You

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repeatedly met with, which it is impossible to explain; they might perhaps be explained by those who prepared them.

2930. Is it on that account you have recommended that one or two professional accountants should be employed to unravel and reconcile these contradictions, if possible?—It is for that reason. I think it is evident, from the Select Committee of 1810, 1811, and 1812 having employed itself at very great length indeed in endeavouring to elucidate these accounts, and having been baffled in its attempt after all, that it is in vain for this or any other Committee to attempt to do it; it can only be done by professional men.

2931. Are there or are there not questions affecting these accounts, which would not properly fall under the consideration of professional accountants; such as the question affecting the division of accounts between territory and commerce?—Undoubtedly, there would be many such. I have in one of my answers stated that some of the charges for Bencoolen and St. Helena ought undoubtedly to be considered as commercial, but it is not for me to say to what extent; a professional accountant could not decide such a question; it would have to be referred to a higher authority.

2932. Would it not be necessary for an accountant, in his attempt to unravel these accounts, to assume a certain principle on which the separation should be made?—Undoubtedly, they would proceed on the known principles on which they proceed in unravelling all accounts presented to them; but where there were other matters which an accountant could not decide, whether matters of law or policy, they would refer such points to the higher authority, the Committee or the Board of Commissioners.

2933. Do you not consider the question of separation of the accounts of the East-India Company into territorial and commercial as one which occurs in no other accounts?—No doubt of it; every particular case has its own features; the commercial and political branches of the East-India Company have their political features; still all transactions of the same description must be carried on by accountants on the same principle; those who are in the habit of undertaking such labours would have no difficulty in arranging this.

2934. Supposing you had all the accounts of the East-India Company within your command, would not the great difficulty in attempting to settle the balance of the accounts result from the necessity of determining how the separation between the territorial and commercial accounts should be effected?—No doubt that would be one point for consideration.

2935. Would not that be the principal difficulty?—I think not the principal difficulty.

2936. What would you conceive to be the principal difficulty in any professional person attempting to unravel these accounts?—In my preceding reply I understood the question to relate to the original framing of the accounts

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5515. You consider that it would be perfectly safe to place the natives in conjunction with Europeans on the bench to inflict those punishments?—I do.

5516. Are they very ready to inflict punishments?—By no means; they are an exceedingly merciful and tender-hearted people.

5517. You have stated that the natives have not now the same means of disposing of their produce which they had under the former government, by which they have lost the advantage they then possessed; how do you account for that, considering that since we got possession of the Peishwa's country, the whole of the coast adjoining that country has been open for the export of their produce, or the import of anything else?—I account for it from the vast assemblage of rich people at Poonah, and the pilgrimages were then much more extensive than since.

5518. Is your observation confined to the capital?—Principally to the capital; all those jaghirdars had large establishments there, you would see perhaps 15,000, 20,000 and 30,000 men, all spending their money at Poonah, having money to spend, but that is all altered by the conquest.

5519. Taking the Poonah district of the country, ought not the natives under the Company's government to have as good a market for their produce now as ever they had with the natives, speaking of the country generally?—There is nobody to purchase much, excepting the military, who are paid regularly, and they circulate money, but there are no other classes of people in large receipts of the public money.

5520. Your opinion is, that until means of export are found for the produce of the country, it must remain in its present state:—Yes, and the cultivation of the country must be improved, for the dry grains are of very little value when sent out of it, and rice and salt, and what is called karana (various drugs and dry herbs) in demand in the Deccan, are the only returns.

5521. Are there any other means by which that improvement can take place than commerce?—I believe in the Southern Mahratta country there has a considerable improvement taken place in the cultivation of cotton. That might be carried to a great extent if they had capital, and will I dare say in time take off the heavy assessment from the land, and the people will have the means, perhaps, of varying their cultivation; but in the western part of the Deccan, at present, nothing is raised valuable.

5522. Does not the population of the Deccan amount to near 6,000,000? I should think fully that.

5523. Do not you think that but a very small proportion of that 6,000,000 found a consumption for their produce while the court remained at Poonah, and that from the large military establishment kept up at Poonah, they find an equal consumption for their produce there now?—I am afraid not; the only sources they have now of getting rid of their commodities are the troops

accounts. Those who have that duty to perform, and who have all the data before them, might arrange them in a very different plan from that in which they are now presented to Parliament and the public, on a plan which would enable them to be understood with facility ; at present they are not susceptible of being so understood ; few persons, I believe, have given more attention to them than I have, and yet I am sure nine-tenths are to me a perfect enigma.

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2937. Supposing the accounts were laid before a professional accountant, and the question of difficulty respecting the separation between territorial and commercial was settled for him, he would be able to put these accounts into a more intelligible form than they stand at present?—That is my opinion.

2938. Do you consider that the question respecting the separation between the territorial and the commercial branches would be such as would come within the province of a professional accountant?—I consider that would not be within his province.

2939. Supposing you had the rule laid down by a direction of the legislature, approved of by the Board of Control, as to the separation to be made, would there then be any difficulty in your following these orders?—There would be no difficulty in that case ; but the rules by which they are separated are liable to be altered at any time by the Board of Commissioners. I beg leave to observe, that from 1814 I consider it perfectly insignificant to what account the different charges are put ; it cannot make 2d. difference if any particular expense is put to the charge of territory or commerce ; it would only affect the surplus commercial profit applicable in liquidation of the debt. If charged to commerce, territory will be relieved from the burthen, but there will be a less surplus profit. My remark applies principally to the period since 1814.

2940. After all, the great difficulty in the separation of the accounts is one rather of a political nature than merely mercantile?—Not exactly ; for in the case of the supplies to Bencoolen, which are stated by the Third Report to have been applied in a great measure to the purchase of pepper and cultivation of spices, it will be obvious to any accountant that the purchase-money being provided by the territory, the amount supplied ought to be refunded to the territory ; but the whole supplies have been charged to the territory, and the commerce in England have drawn the returns on the pepper and spices.

2941. Would an accountant, under these circumstances, make no allowance to a government wishing to improve the state of the people, by encouraging the growth of that which grows best in that climate?—That might be rather beyond the province of the accountant.

2942. Do you see any difficulty in leaving all the expenses incurred in India, either to the territorial or to the commercial ; is not the principal difficulty

troops, that saves Poonah at present ; Poonah is a large military station, and that circulates money. 6 Oct. 1831.

5524. Until there is an introduction of trade into the country to a greater extent, you do not see any other means?—No ; I do not think there can be many rich people from the general habits of the people, and the nature of their cultivation, the nature of the present general produce is not valuable. *Major-Gen. Sir L. Smith, K.C.B.*

5525. Have you found that when the natives have had an opportunity of showing their talents they have been defective?—Far from it.

5526. Then it is from want of opportunity you conceive the natives are defective?—Yes, from want of excitement and means.

5527. You say that there were many rich natives at Poonah formerly, who took off the produce of the land?—Yes ; the court being there, there were a greater number of shroffs and merchants, and very rich people communicating with all India, and generally a great number of troops also.

5528. Did they derive their income from land?—Yes, the chiefs generally from the land.

5529. What has become of that class of persons?—They are still in existence, but we have limited their means, and do not allow them to keep so many men, and do not allow them to come so many together to the capital.

5530. Has there been any difference in their wealth?—Yes ; I believe they have been a good deal curtailed by limitations, and the few troops they are obliged to keep up, we make them pay them, and see that they do actually keep them up. In Bajee Row's time it was greatly evaded ; if they were ordered to keep up troops they just got them together time enough to bring them up, and pocketed the amount of their maintenance, perhaps, for the rest of the year ; we have been more strict as to their conditions. These people used to assemble in a body two or three times a year at Poonah, to accompany Bajee Row on his pilgrimages ; they now remain at home, and they are almost all involved in their circumstances.

5531. You account for the difference in the condition of the country by the discontinuance of Bajee Row's court?—I account for local depression to that cause. I believe the country of the Deccan used to yield Bajee Row a crore and seventy lacs ; a great deal of that was got by his selling his districts, and the people were greatly oppressed. Afterwards, of course, we gave up that system, and I believe we have never produced anything like seventy lacs of rupees, and God knows why or wherefore ; but there is exactly that depression of all the produce of the earth in India, which is overrunning all the rest of the world, and districts which yielded four or five lacs of rupees in Bajee Row's time, will not now realize a lac and a half.

5532. You would not attribute entirely the difference in the condition of that country, to any effect produced by the change in the government?—No, certainly not ; I should say the condition of the people had been highly ameliorated by the government since the conquest.

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difficulty that portion of the expense incurred in England?—I am not sufficiently acquainted with Indian affairs to know what is the proportion of expense in India, but there must be necessarily some part chargeable to the commerce. Upon all such occasions of doubt, I have stated that the accountants employed to investigate the nature of the balance ought to be authorized to call for additional information when they want it, and examine the accountants and others who can give them information.

2943. You are aware of the arrangement made in consequence of the Act of 1813, for the separation of the two accounts?—I am.

2944. And of the discussion that took place between the directors and the Board of Control on that subject?—I presume there was a discussion preceding it.

2945. Should you say that the principle which pervades that separation is a just principle, or do you contend against that arrangement?—I must state that I consider the arrangement is really of very little consequence, except to show, as matter of curiosity, what the commerce and what the territory have borne of the expenses. If the Act of 1813 was strictly complied with, it makes very little difference how they are charged. The investments of tea might be made from territorial revenues, and the proceeds of it considered as commercial profits. It would not alter the case; there would then be a heavy amount of surplus profit to apply to the liquidation of the debt created to purchase the teas. I do not consider it a matter of much moment whether in the arrangement between the Board of Control and the Court of Directors the strictest justice or propriety is observed; that is no reason to object to any of the items.

2946. If you went back to the years previous to 1814, would it not be necessary to make some arrangement on principle before you entered into the details of the accounts corresponding to the arrangement made in 1815?—No doubt.

2947. You must come to a certain principle of arrangement as to territorial and commercial:—I consider the accountants would be bound by the plan of separation made in 1815, which would be the best guide they could go by; I certainly should not see much reason to object to that plan of separation, although it seems to be in some respects imperfect. I have not the Parliamentary Paper itself, but I have it in the Appendix to a pamphlet published some years ago, in which it appears that the charges for St. Helena, Bencoolen, Prince of Wales Island, to which the plan of separation alludes, are stated to be those which are *paid in England*, whilst there is no reference to those paid in India in that plan.

2948. Do you conceive, from your knowledge of that plan, that it would be sufficient to guide an accountant in the separation of the earlier accounts of the Company, which are said to be of such importance?—Not without further information from the India House; it would be quite necessary to ascertain

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5533. You say the climate of the country is favourable to the production of cotton and other articles, if there were a demand?—Yes.

5534. It has been stated that nearly half of the Deccan is uncultivated now?—I should not think so. There is a great desire to cultivate; all the Mahrattas who served with Bajee Row are now cultivators. The foreigners went back to the different countries they came from, but the true Mahrattas are now cultivators.

5535. Do you conceive the want of security and want of confidence under those warlike chiefs has prevented that cultivation which the country was capable of?—If they had the least excitement a great proportion of the population would again take to military plunder, I have no doubt. They are now settling, and there cannot be better subjects than they are now.

5536. In one of the petitions presented to Parliament it is alleged, that the system for the administration of justice in the interior of British India is eminently defective, that it affords no adequate protection for the rights of property, scarcely any protection from personal wrongs, and in particular from false imprisonment, when committed by persons possessing public authority. Do you consider that the petitioners, from their connection with and knowledge of the interior, were competent to pronounce an opinion on this subject?—I do not think they were, and I do not think they have any reason to say that there has been any maladministration; a vigorous government for the Deccan was absolutely necessary, or we should have been at war at this moment; but I do not think that any unnecessary rigour has ever been carried on, and I think the natives of Bombay have been put up to that representation by the lawyers who got up their petition.

5537. Do you think the natives are competent to judge of the security given under the King's courts at Bombay?—Yes, in Bombay; but I think they are not competent to judge of the reasons which prevent those courts being desirable in the Deccan at present. I do not think they have considered the political circumstances on which that government has been established.

5538. You think that they are capable of judging of the increased security under the King's courts of Bombay, from that afforded in the interior of India; but you do not think they are capable of judging of the political circumstances of India which might prevent the introduction of the same justice there?—No, I do not think they have sufficient knowledge of the temper and condition of the people of the Deccan.

5539. Is not the communication between Bombay and Poonah, and all the Deccan, very frequent and intimate, and does it not extend throughout the country?—Yes; but I do not think they have been sufficiently acquainted with the character of the people, their military and restless habits, and that they do not estimate the danger sufficiently of opening to them too rapidly other laws.

5540. Have

ascertain what proportion of the supplies to Bencoolen had been applied to the purchase of goods; it would be necessary to form an estimate of what proportion of political marine and of commercial marine had availed themselves of the conveniences of St. Helena, and for such a separation the accountant would have to refer to higher authority, or more precise information.

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2949. Would there not be a difficulty in calculating the assets of the Company, and determining what portion of buildings and fortifications strictly belong to territory and what to commerce?—I believe, from what I have seen of the accounts, that all buildings and fortifications have been charged to the account of the territory; there is no trace of any having been paid for out of the commercial funds.

2950. Before the acquisition of territory, it must have belonged to commerce?—No doubt.

2951. Then that portion of buildings and fortification which was originally constructed for the defence of commerce, should be still continued as commercial expense?—Yes; it appears to me not unreasonable.

2952. Might not there be some difficulty in determining, subsequently, what portion of the expense may be justly ascribed to territory, and what portion to commerce?—No doubt many difficulties would arise, and for that reason I think that whoever undertakes it, ought to be empowered to call for much additional information.

2953. We only want your opinion as to whether this is a description of difficulty which would fall within the province of a professional accountant?—I think it would require the reference to a higher authority.

2954. Does it appear from the result of your inquiry, that the commerce of the country has been generally conducted at a loss, and that loss has been made good out of the territorial revenue?—My attention has been principally directed to the question of finances, which is a very large one, and I do not feel myself competent to answer that question; the one which I have occupied myself on has been quite sufficient to take up a great deal of my time. I am sorry to understand that Mr. Rickards is too unwell to be examined, who has given much of his attention to this subject, who understands not only the financial but the commercial part of it, and would be able to shew the connection. I do not feel competent to speak to the Committee on the subject, though I have my opinion.

2955. Had the commerce of the country been carried on without the aid of the territorial revenue, does it appear probable that the Company's commercial property would now be insolvent or not?—I can form an idea on that subject; if my view of what the commerce has drawn from the territory be correct, their present capital, although very large, is far within the amount which I imagine they have derived from the territory, reckoning accumulating interest, which must in justice be taken into the account; because I
conceive

5540. Have not the merchants in Bombay establishments in different parts of the interior, and are they not capable of judging how far their own establishments are protected?—Of course they are, and I have no doubt they are very well protected.

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5541. Are you aware of the imprisonment of Narroba Govind Oughtia, and of Dhondoo Bullol, at Poonah?—They were imprisoned immediately after the war, I think not above two or three months, upon refusing, I believe, to give up some of Bajee Row's money; there was a proclamation issued after the war, calling upon all persons to give up the money of the state; we knew there was a good deal of money in the country, and it was apprehended unless it was surrendered we should never be quiet; that they would be able to keep up little predatory parties. It was very important to get the money surrendered; it is that money which has been in appeal here, which I have referred to, and it was found upon Narrabo, I believe, to the extent of eleven lacs of rupees.

5542. When this person was put in irons, and his clerk, was there any charge against them?—I am unable to answer whether there was any charge to justify that, except having concealed the money; but I can answer, that the Mahrattas are a people of extreme cunning, and so difficult to manage, that it was often necessary at first to apply the system in practice by their own government, to make them tell the truth, and on this occasion to yield that which was necessary to the security of the country; that I look upon as Mr. Elphinstone's motive, and this was before the civil law was established, it was while the country was under military law, and he applied the Mahratta law or practice, that which Bajee Row himself would have done under similar circumstances, judging it to be necessary for our own interests, but he introduced the system of our civil courts as early as possible.

5543. You are perfectly aware of the fact of those persons having been imprisoned, are you not?—I was not at Poonah, I was at my own headquarters forty miles off, but I know they were imprisoned.

5544. Were they not put in irons?—I think Oughtia was, I do not know whether the other was.

5545. Without any charge being brought against them, except that they were suspected or supposed to have part of the Peishwa's money?—Which by the proclamation had been ordered to be surrendered.

5546. That proclamation was a considerable time after the country was taken possession of, and when it was in a state of comparative quietness, was it not?—No, the war was considered to have terminated in July 1818, and I think the proclamation was issued in May or June previous. I came into cantonments in the month of May, and I think this proclamation was in May, but I will not be positive, but I know the object was to be as prompt as possible after the war, with a view to prevent any persons getting the

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conceive that if at any period money withdrawn by the commerce from the territory had been applied in liquidating the debt, or preventing the accumulation of debt, it would have kept the debt so low, and the charge of interest so light, that there would be no debt at all at the present moment.

2956. Do you consider the territory a kind of banker to the commercial concern, and that there is a large balance in the hands of the Company?—That is the way I look at it; the territory appears to be the banker in India for the commerce, as the commercial fund in England is the banker for the territory.

2957. Have you at all turned your attention to the question of the rates of exchange, as fixed by the Board of Control in 1814, in comparison with the mercantile rates?—I have not bestowed much labour on that subject, but I have noticed a discrepancy of rather a singular nature in one part of Mr. Melvill's examination, questions 4924 to 4929 inclusive; he states that the rates of exchange, compared with the Board rates, were in favour of the commerce for five or six years after the Board rates were fixed; but in an account given by Mr. Lloyd (in Appendix V. to First Report of 1830, Revenue Accounts, No. 2, at p. 972,) of the loss sustained by the commerce, amounting to £7,000,000, there is only a very small profit derived by the commerce in the first year, and every year after appears a year of loss. How to account for that difference between the Accountant and the Auditor, I do not know.

2958. You mention that part of the supplies to Bencoolen appeared, from the Second Report in 1810, to be applied to the purchase of pepper and spices?—Yes.

2959. Was that ever admitted by the East India Company?—I am not aware that it was ever contradicted, which I consider equivalent to an admission.

2960. Has credit ever been given to the territory for the profits of the pepper and spices you conceive to have been procured by means of supplies from the territorial revenue?—I have not noticed any such entry, and I think if it had existed there, I should have seen it.

2961. Do the Company appear to have made any change in the mode of charging supplies furnished to Bencoolen subsequent to these remarks in the Second Report of 1810?—In the Papers of the Select Committee of 1810, 1811, and 1812, the column of Bencoolen is always headed "Supplies;" since that period, and in the Papers of February 1830, it is headed "Charges;" I am not aware of any other alteration.

2962. It has been held by many that the accounts of the Company up to the commencement of the present charter have been definitively closed, and that it is now no longer competent to the Committee to re-open the question; have you, in the course of your inquiry into the subject, met with any thing confirmatory of such an opinion, either in the Act of 1813, or any other document

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money to keep up the war ; for as long as you pay a Mahratta he will never come in. Of the other two persons I know nothing, they were imprisoned by the adawlut in Tannah.

5547. To whom were those extensive powers committed?—The commissioner.

5548. Who was the commissioner?—Mr. Elphinstone.

5549. To whom were they delegated by the commissioner?—The collector and magistrate at Poonah, Captain Robertson, then Lieutenant Robertson.

5550. He had the power of imprisoning and putting in irons the natives of the country?—When the country was under martial law, I apprehend he had the power ; I do not suppose he had afterwards. I put him there when the war broke out, and when Mr. Elphinstone's power for a moment ceased, I put him myself in charge of the guards there, and the police, and Mr. Elphinstone confirmed the appointment when he became the commissioner, but we had no civil law at the time.

5551. Do you consider that the military law of England authorises the practice of confining men, and putting them in irons on the suspicion of having money in possession?—From my knowledge of that particular people, I say that the object of getting in that money was a very necessary measure to insure the tranquillity of the country ; for that as long as money was to be had, we could never tranquillize the country, and the Company would have been put to lacs and lacs of rupees of expense.

5552. Is it not in the power of the governor to confine any native, great or small, whom he may think proper, and such native confined has no means whatever of obtaining his release?—I believe that is the fact ; I am not able to speak of it from my knowledge of the law, but I imagine the government has that power ; but certainly it is not very likely to happen, for they have been treated with the greatest attention and kindness.

5553. Have you known any of the chiefs confined?—No, they have been treated with the greatest attention and respect.

5554. Were there none in confinement after we obtained possession?—None that I am aware of ; there was a man who could not be called a chief, I forget his name, who set up to be the heir of the throne of Sattarah, but he was considered insane, and they sent him as they did Toimbuckjee, who was the cause of the war, into honourable confinement, but nothing further.

5555. You are not aware of a man being confined in a cage?—That was for hanging Captain Vaughan and his brother ; he used them in a most cruel manner.

5556. What

document which has fallen under your observation?—I have met with nothing from which such a conclusion could be drawn. The Select Committee of 1810-11 laboured to strike a balance, but in vain, though they stated, in the Third Report, that, "the documents in the Appendices to their Reports, with some addition, would throw very considerable light upon the subject; " Your Committee having thus submitted to the consideration of the House such observations of the finances of India, as the course of their inquiry appear to prescribe, this Report might be brought to an immediate close, if they had not to apprehend that such a detail might not, as readily as was desirable, direct the judgment to any conclusion approaching to correctness, of the distinction presumed to exist between the political and the commercial parts of this transaction. No absolute distinction on accurate principles, under the present system, can be drawn; the Committee are of opinion that, with some additions, the documents in the Appendix to this and other of their Reports, will throw considerable light on this branch of inquiry." For the five following years, as I have before stated, the materials for arriving at a balance have never been produced; the Act of 1813 never alludes to the past accounts, and directs merely that the future transactions shall be separately recorded; and in the powers conferred on the Board of Control there is nothing that can be construed to authorise that Board to settle the account between the branches by an arbitrary *dictum*, nor has there ever been any account prepared by the Company and laid before Parliament, professing to exhibit a definite balance between the two branches at the commencement of the present charter; on the contrary, from the year 1815 to the present time, there has been one annually laid before Parliament, exhibiting the account virtually, as open and unsettled at that epoch.

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2963. What account is that?—The Parliamentary number of the present Session is 14.

2964. Is it stated that the balance between territory and commerce remains unsettled?—From the manner in which the home debt is there stated, I infer that the account must be considered as an unsettled account.

2965. Have you examined the first of the annual accounts which was laid before Parliament after the commencement of the charter in 1813-14?—I have examined it.

2966. From what do you understand that the account is considered as unsettled in the first account?—From the manner in which the home bond-debt is there mentioned, and in the whole series, of which it is the last, beginning with that ordered to be printed 24th May 1815. In that account, which first gave a separated statement of the debts and assets, territorial and commercial, the home bond-debt was not included under either head, but was placed at the foot of the account, with a reference to the following note: "The amount of the present home bond-debt, it is believed, has been chiefly, if not entirely, incurred on account of payments made within the

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5556. What was done with him?—He was confined in the fort of Singhur ; it was the fashion to call it a cage, because there was a grating to the door ; but it was a very comfortable place, and officers go there now for their health from Poonah. I believe he was let out on some demand by *habeas corpus* from the court of Bombay ; it was either made or threatened ; I am not quite sure whether the order did not go from the Court of Directors for his release.

5557. In the same petition it is stated that at a distance of thirty miles from each of the presidencies, there are few natives who really have the slightest knowledge of those Acts of Parliament and charters passed for the security of their persons and properties ; judging from your intercourse with the natives of the country, what is your opinion as to their knowledge of what law they are under ?—The native inhabitants of Bombay, I should think, have pretty good knowledge in this respect : in the Deccan, certainly, they have no knowledge of Acts of Parliament ; they are not in a state themselves to understand such laws.

5558. Do you think if they knew they had the power of applying to the court of Bombay for any redress of grievances, they would do it, at whatever distance ?—Yes, I have no doubt they would ; that is the reason I object at present to setting up a second authority ; I say the people are not yet prepared for it.

5559. You think if they had the power now, they would be very anxious to remove their cause of complaint to the King's courts ?—I have no doubt they would.

5560. Or to any other court of appeal whatever ?—Yes.

5561. Have they any court of appeal in the Deccan ?—They have the sudder adawlut.

5562. They may go to that ?—Yes, it is now established in Bombay ; there is the adawlut at Poonah, and they go from the adawlut to the sudder.

5563. Do you think they are as desirous to appeal to the adawlut as to the King's court ?—They know of no other practice at present, but give them information of another, and they will go, I dare say, fast enough.

5564. Do you think the natives know that all the Company's servants, military and civil, are subject to the jurisdiction of the King's courts, wherever they may be in India ?—I do not think that they know it universally with regard to civil actions ; certainly, as applied to criminal actions, they do. They know that no European can commit murder, for instance ; as soldiers have been frequently tried and hanged.

5565. And sent to the presidencies ?—Yes.

5566. Is the administration of justice by the King's court popular with the

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period of the last charter, for the territory, beyond the amount received in England from the said territory; but, as an investigation of this matter cannot be finished within the time in which the present account must be submitted to Parliament, the amount of the bond debt is here placed against the joint heads of territory and commerce." The investigation here spoken of is, I suppose, not yet brought to a close, for it has never since then been alluded to in the accounts, in which to this day the home bond-debt continues to stand at the foot of the page, and of late years with the following note in explanation: "The home bond-debt is stated without specific application to either branch of the Company's affairs, it not being determined to what extent the debt had its origin from political causes." In any system of accounts a bond will never be granted without its being recorded on what account it was granted. The doubt as to the origin of the debt, therefore, can have no relation to the cause for issuing the bond. Such an investigation could not have taken half an hour; neither can the doubt be, whether the sums paid in England, supposed chargeable to the territory, had all been charged to its debit. The reply to a question this day, as to the defectiveness of the estimate spoken of by Mr. Melvill, must have shown that nothing material can in that way have been overlooked. It appears to me obvious that the desideratum is, such a balance of the transactions between the two branches as the Select Committee in their Third Report sought, but in vain, to arrive at, carried on to the close of the last charter. If that balance should prove to be against territory, and to the amount of the home bond-debt, the Company might fairly argue that that debt should be turned over to the territory; but if, on investigation, the balance should be in favour of territory, a corresponding amount of India debt should be in like manner taken and provided for by commerce. This appears to me the only fair interpretation that can be put on the suspension of the home bond-debt between the two branches.

2967. Do you assume St. Helena to be a commercial charge?—I consider it to be both for the convenience of the commercial and the political branches, but not entirely political.

2968. You stated that it was a commercial charge up to a certain time?—In early periods, before the acquisition of territory, it must have been so of course.

2969. Are you or not aware that the Company's ships always pay port dues at St. Helena?—I am not acquainted with any of the internal regulations of the island.

2970. And that these port dues are carried to the credit of the island?—I am not at all informed of the minutiae of the government of the island.

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the natives of Bombay, or not?—I should say certainly popular in Bombay.

5567. You do not think they would willingly exchange it for the Company's courts in the interior?—No, I apprehend not; they are too far gone; they are great lawyers now.

5568. In one of the petitions the natives of Bombay claim to be admitted into financial, territorial, and judicial offices, in common with British-born subjects; are you of opinion that such admission might be safely granted, and that it would add to the stability of the British government?—I do; and I think it is one of the most important things to be now introduced.

5569. Do you think such employment of the natives would be attended with economy, and also efficiency in the result?—Of course natives can be got to serve in those departments for much smaller sums than are paid to the civil servants; they are much more easily paid, but for many years they could not be employed exclusively; there must be Europeans mixed with them.

5570. Would they be equally efficient?—After some years I think they would; you would not take and place them in a whole department together, but gradually introduce them.

5571. In the petition of the inhabitants of Bombay, and signed by upwards of 4,000 of the most respectable of all religions, dated the 25th of January last, they state that "it is to Parliament that the natives of his Majesty's territories in India are indebted for the public institutions intended to prevent injury and insult to them, and to raise them in the ranks of society;" do you yourself consider that it is to his Majesty and the two Houses of Parliament, and not to the East-India Company, that the native inhabitants of Bombay look for a redress of their grievances, and an amelioration of their condition?—I think they have, of late years, been carefully taught to believe that Parliament and the King are every thing to them.

5572. Do they make a distinction between the King and Parliament, and the authority of the East India Company?—In Bombay they have been doing so certainly for some time; they have learnt that in the supreme court, and in the late discussions some of the judges almost told them from the bench that the court was supreme, and that the government was nothing compared to them; not in so many words perhaps, but with that tendency, Sir John Grant and Sir Charles Chambers both, I believe, held that language from the bench.

5573. Meaning that it was superior to the power of the Company?—Yes.

5574. Does not that impression, on the part of the natives, tend to diminish the authority of the East India Company?—It is so very local at present,

Jovis, 28^o die Julii 1831.

Sir JAMES MACDONALD, Bart. in the Chair.

HUGH GEORGE CHRISTIAN, Esquire, called in, and examined.

2971. You have been in the civil service of the East India Company?— 28 July 1831.
I have.

2972. In what part of India have you chiefly resided?—I was on the establishment of the Presidency of Fort William in Bengal, and I chiefly resided in the western provinces, more commonly called the Ceded and Conquered Provinces, which commence from the confluence of the rivers Ganges and Jumna, Allahabad being the first district, and they extend upwards in a western direction.

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2973. In what official situations were you?—I have held several situations, but I was chiefly employed as collector of land revenue, and as special commissioner appointed under Regulation 1 of 1821.

2974. What was the object of that regulation?—It was to restore lands to persons who had been deprived of them by unjust and illegal public sales, or who had lost them by private transfers effected by undue influence, and to inquire generally into the rights, privileges, and interests of the agricultural community.

2975. There was a commission appointed for that purpose?—Yes, of which I was senior member.

2976. Will you explain what was the cause of the appointment of that commission?—The government did not know exactly how to give redress to the people aggrieved by the ordinary courts, and in some cases the period of limitation for the cognizance of such suits had expired; an extraordinary measure appeared therefore necessary.

2977. What complaints were brought before the government?—I do not know what complaints was brought before the government, but the judge of Cawnpore represented the confused state of his district arising from such grievances, and I believe one of the members of the council, Mr. James Stuart, urged the necessity of affording prompt redress. In consequence the government appointed a commission with extensive powers; in short to revise, if found necessary, judicial proceedings connected with any of the illegal public sales, or private transfers of the nature above described, within

present, I should not say it is of much consequence while it is confined to the presidency; if it went into the interior it might be of consequence.

5575. Supposing that impression became general throughout India, what effect would that produce on the East India Company?—It would be highly injurious to their government, no doubt; it must of course tend to bring them into contempt, and make their power questionable.

5576. Would not such a spirit in the people of India tend to diminish the power and the authority of the Company, and consequently the obedience of the natives to that authority?—I should think it would very likely have that effect, if it spread universally.

5577. Would it tend to diminish the authority of the British nation?—That I cannot answer; I think it would be a very dangerous thing, drawing a comparison between the two authorities; I do not object to it at Bombay.

5578. Do you think, in the Deccan, the people can distinguish between the authority of Parliament and of the Company?—No; I do not think they have at present a sufficient degree of intelligence to understand it.

5579. Do you think it is advantageous to the good government of Bombay that such an opinion should prevail in Bombay itself?—No, I cannot think it can be advantageous even there; I think whatever tends to put the subjects of the country in contempt of its government cannot be advantageous or judicious; whatever the government of India is, it is administered by the sanction of Parliament, and ought to be made strong and respected, for the good government of the people; nothing can be so bad in that country as a weak government.

5580. Can the King's courts interfere at all, except in cases of complaint of oppression and injustice; and if so, how can they interfere with the government of the country?—If they could interfere in questions of *habeas corpus*, and with the chiefs in the country, and were to summon them, which Sir John Grant did (at least one of the young boys of a chief), such a power would disturb the country, because they are new to and totally unaccustomed to such interference; the local institutions come nearer to those they have been long governed by.

5581. Do you not know that the same feeling towards the King and Parliament prevails in Calcutta, and that Calcutta and Bombay are the most orderly and best governed portions of India?—I have no doubt that they are well informed of the power of Parliament in Calcutta and Bombay.

5582. What is the mischief likely to result from their knowing the difference between the King's and the Company's power?—Chiefly from their own ignorance, that they are not able to appreciate the difference, and that such confused notions of power might mislead them into rebellion against the existing government; I do not deny they may have a just knowledge of the distinction at the presidencies, there they are an entirely different

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a limited period ; the jurisdiction was confined to three districts, commencing with only one at first, *viz.* Cawnpore.

2978. Did you go through the whole three districts?—I was about four years and a half on the commission, and we had nearly completed the district of Cawnpore and Allahabad when I left.

2979. Has the commission pursued its duty since?—I do not know exactly ; it continued its proceedings some time after I left ; but since the arrival of Lord William Bentinck various alterations have, I understand, been introduced.

2980. What was the third district?—Goruckpore.

2981. In what state did you find those districts?—We found that the most abusive alienations of property had taken place ; I fancy even exceeding what the government themselves had anticipated, and we were able to give effectual redress in most cases.

2982. Of what district have you had the charge besides those you have mentioned?—I was acting collector of Furruckabad, acting collector of Allahabad, acting collector of Moorshedabad, acting collector of Bareilly, acting collector of Goruckpore, collector of Agra, acting collector of Cawnpore, and in revenue charge of Shacohabad.

2983. By what tenure is the land held in those provinces?—Chiefly by zemindary tenure ; that is, persons with whom the settlement of the lands had been made, and in whom is considered to be vested the proprietary right.

2984. Is that the same tenure as prevails throughout the dominions under the presidency of Fort William?—I can only speak to my own knowledge as far as I have seen myself, but I believe the same tenure prevails generally in Bengal, and I believe in the province of Cuttack.

2985. The tenure you mean is that which considers the zemindar the proprietor of the soil?—It is.

2986. Is the proprietorship of the zemindar recognized by any public act or avowal of the government?—Yes, I think a proclamation issued by the Marquis Cornwallis, and subsequently alluded to in some of the Regulations in 1803 ; Regulation 25 or 27 of that year it is, I think, distinctly stated that the proprietary right of the land is considered to be vested in the zemindar.

2987. Does that statement apply to all the dominions of the presidency as they now exist, or is it confined to those to which the Regulation first applied?—I cannot state that it applies to all, but I can state that it applies generally to the whole of the western provinces in which I have been employed.

2988. What was the distinction between the settlement of the land in those provinces and in Bengal?—I am unacquainted practically with the settlement

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different population. The government of India is established by Parliament, and I cannot conceive it desirable that that government should be brought into contempt, by setting up any superior authority.

5583. Have you ever served in the British colonies?—Yes.

5584. Do you conceive that any inconvenience arises from the knowledge of the inhabitants of those colonies, that the local government is not supreme, but subject to the authority of the King and Parliament in England?—I should say certainly not; but the colonies are totally different, they are almost all European in their descent. It is not that I disapprove of the institution of the King's courts, but that I disapprove of its application to 5,000,000 or 6,000,000 of people, not in a state of intelligence to appreciate its blessings; the King's court I understand perfectly well, it is a fine institution, but I would not misapply it; it would be easy, perhaps, to refer to Madras and Bengal, how long it took to apply the power of English law to conquered provinces; we have conquered the Deccan only about twelve years.

5585. Do you suppose that natives in the interior of India have a distinct notion that there is a supreme authority here, and that the authority of the Company in India is not supreme?—In the interior of the country I have been accustomed to, I should say that they have not that knowledge, that they do not think there is any power superior to the Company's; that is my impression.

5586. What do you suppose to be the degree of knowledge upon that subject among the natives at present at Bombay?—They have a large knowledge of it, and are perfectly aware of the comparative power of the Crown and Company.

5587. They are aware of the distinction?—Decidedly; they have had an example of it before them for many years in the King's court.

5588. The question refers to the supreme Government here?—Yes, they are much more enlightened; the judges have repeatedly told them that the whole of that country is subject to this country, and that the Parliament and King are supreme over all.

5589. Will you refer to the signatures of the petition of September 1829, are they all Parsees?—No, there are a good many Hindoos, and some Mussulmen.

5590. Were you in Bombay when this petition was resolved upon?—I was serving under that presidency.

5591. Do you know any thing of the circumstances of the meeting?—I do not.

5592. Were you in Bombay on the 15th of January 1831, when the other petition was signed?—I left Bombay in December 1830.

5593. Is not the presidency of Bombay very peculiar, not only as distinguished

settlement of Bengal; I merely know it theoretically, therefore I cannot speak positively, but I imagine that the basis of the settlement of both parts of the country is the same.

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2989. Should you conceive that, with the exception of the permanency, it was the same settlement?—Yes, more or less; there are parts of Bengal, for instance the district of Burdwan, paying a rental of about £400,000 a year, and is, I believe, the property of the rajah, in which, I have understood, a peculiar tenure called putnee exists.

2990. What is the principle of that settlement, as it refers to the government, to the proprietor, and to the cultivating tenant?—There has been much inquiry and discussion regarding subordinate tenures; that is, about the rights of the ryots, or the rights of the cultivators; but for my part, I am inclined to think that there is a great deal of uncertainty and doubt existing on the question, and that they have neither been either correctly ascertained nor precisely defined.

2991. In point of fact, wherever that settlement prevails are there three parties or two; is there the ryot, the proprietor, and the government, or is there the ryot, and the government alone?—The mode that I pursued in making a settlement was, to issue an advertisement mentioning that I should arrive in a certain part of the district on a certain day, and that I invited all persons who had claims to lands situate in such a portion of the district to appear and prefer them. I then selected the parties in possession, if they were the recorded and acknowledged proprietors, as having the best right to engage; if they were merely farmers, I endeavoured to exclude them, and bring in the proprietor, but I made no stipulation regarding the cultivators.

2992. Then the dealings of the government were with the proprietors, not with the cultivators?—Not with the cultivators, excepting where the proprietors were not forthcoming or ascertained, or refused to engage. The government in some few cases collected immediately from the cultivators, called khas management.

2993. Do those cases occur frequently in the upper provinces?—Very rarely.

2994. What distinction should you make between that mode of settlement, and what is termed the ryotwar system?—There seems to be a little confusion respecting the ryotwar settlement. What I should consider by the ryotwar settlement, taking it in the literal acceptation of the word, would be to receive engagements from each individual cultivator for his field or fields, at a fair appraisement of their value, that government should deal directly with the cultivators; but I have lately heard, that under the Madras presidency it has a different signification; that the ryotwar system is intended merely to imply that every person possessing a proprietary right in a village is recorded, and engagements taken from him, without reference to his under-tenants.

2995. You

guished from the other territories under the presidency of Bombay, but as distinguished even from the other capital towns?—Yes; I suppose it is the greatest resort of varied Asiatics of any spot in India; Arabs and Persians, Scindians and people of all other countries come there to trade.

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5594. Is there not more English spoken among the inhabitants of Bombay than of Madras or Calcutta?—I am not able to answer that question distinctly, but I should think so; all the Parsees I have known speak English.

5595. Do you conceive it is fair to argue from the state of society or circumstances affecting Bombay, to any other parts of India?—I do not know that I could usefully answer that question, as I am not acquainted with other parts of India; my opinion would go to this, that they are the most intelligent of any natives of India, they have had more opportunities of intercourse with those of other countries.

5596. Among the less informed of the natives of India, is not the expression “Company” used to express the supreme power of the government, and in no other sense?—Yes, certainly, how should it be otherwise; “Company Behader” is the expression.

5597. Do you think that any great inconvenience would arise from substituting the authority of the Crown, and having only one authority instead of two in India?—I do not see any great inconvenience so far as the appellation goes; it would take a long time perhaps before the appellation was understood, they have been so many years accustomed to call everything by the name of the Company, what effect that might have on their government is another question, but whether they were called Company’s or King’s, I do not think they would care a farthing.

5598. Has it been the feeling of the natives in India to submit to the ruling power, whatever it may be?—Undoubtedly.

5599. From what you have seen in the Island of Bombay of the various descriptions of natives of India, are you not able to form a pretty correct estimate of the characters of the countries to whom those people belong?—I think they are a highly interesting people, capable of being made anything of. I have no reason in the world to say or think of them otherwise.

5600. What is your opinion of the moral character of the natives of India generally?—I think, considering the disadvantages they have been under many years, not those of Bombay, but those above the ghauts, where they have had formerly a very vicious government, they are a very good people; and in my opinion they have been greatly belied by all those who have written about them.

5601. Are they a cruel people?—By no means; all their chiefs were of rude military habits, which made the body of the people what they were, rude and violent; but they are essentially a good people, and where they have taken to cultivation, they are one of the most quiet orderly people I have

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2995. You are understood to say, that the settlement in the other provinces was of this nature, that you on the part of the government negotiated with the proprietors, without taking any cognizance of the cultivating peasant?—Exactly so.

2996. Is not that the system you have just described to be the ryotwar system that prevailed in Madras?—No, I think not; it would appear that by recording the rights of every person holding or claiming a proprietary right, they go a little further into detail than we do. But I am only speaking of what I have heard stated; for I know nothing of the Madras mode of settlement.

2997. Did you make the settlement to which you have alluded?—I made the whole or nearly the entire settlement of Allahabad, a district containing about 3,000 separately assessed estates, and I suppose a population of about 1,000,000, and paying a rental of about £320,000 per annum.

2998. In what year was that?—In 1809 and 1810.

2999. You had no intercourse then with the cultivating tenants?—Except to lend them every support I could with a view of adjusting disputes between landlord and tenant.

3000. What was the tenure upon which land was held in those provinces under the former governments?—I cannot state with any precision, but I imagine that as the collection of revenue was the primary object under the former government, the rights of persons and things were little considered.

3001. By whom was the settlement made of which a commission was sent to correct the evils?—By the English government, and the sales took place under the English government.

3002. What were the particular abuses that existed?—They were various; in some instances lands were sold for balances not due, in others the advertisements of sale had been purposely suppressed, in others the revenue officers themselves had become the purchasers, and in short various abuses, as specified in the preamble of Regulation 1 of 1821.

3003. Was there any particular circumstance to which you would ascribe the possibility of the existence of such abuses?—I think the abuses were occasioned by the malversation of the native revenue officers chiefly, and in some degree by the supineness or misconduct of the European functionaries.

3004. Were those native revenue officers natives of those provinces?—Some were not, but generally speaking they were natives of the provinces.

3005. The parties oppressed in that case were the great proprietors?—The proprietors, and of course the cultivators suffered, because I have generally observed that an auction purchaser is seldom so well inclined towards

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have ever lived amongst. In my own cantonment I had generally before the war upwards of 30,000 followers, and for four years we had only four capital crimes; what the punishments were I do not know, for we sent them to the Peishwa, we had not then any criminal law of our own; I do not believe there are many parts of Europe which could boast of such absence of crime.

5602. In the petition just referred to, it is stated that the King's courts of justice, in the execution of their processes and orders, have always been scrupulously observant of the religious doctrines, rites and observances, and of the manners and usages of the natives; as far as your own knowledge extends, do you consider this statement as well founded?—I have no reason to say otherwise; I should suppose the Europeans who presided in those courts would not be so foolish as to slight them, for they would never be respected by them if they did. I cannot conceive any one so foolish as to slight their prejudices and to expect to be respected.

5603. In the same petition it is stated, that “the experience of more than half a century at Calcutta, and of more than a quarter of a century at Madras and Bombay, has proved that life, property, character and personal liberty can be protected by his Majesty's courts of justice, without violation of the religions, manners and ways of the natives;” do you consider that the gradual extension of English law administered by professional judges to the provinces subject to the Bombay presidency, would give additional security to the persons and property of the native inhabitants, and tend to secure their attachment to the British Government?—I should certainly have no objection as long as it was gradual, but by that I would not infer that the persons and property of those subject to the government regulations, the inhabitants of the Deccan, are not now perfectly protected; ultimately, for the benefit of the people, by similar and equal justice, I should be glad to have the King's courts all over India.

5604. You do not agree with the petitioners that property is not so secure in the interior as at Bombay?—No, decidedly not; I am convinced it is quite as secure.

5605. In the same petition it is stated that the authority claimed by the local governments of India, of making and repealing laws, civil and criminal, of making and annulling courts of justice, and in short of legislating absolutely over the natives residing beyond the ordinary jurisdiction of the supreme court, has been the great cause of the degradation of the natives in question, and of stamping upon them the character of a conquered, distinct and degraded people. Do you concur in the opinion so expressed?—No, I do not, upon my honour; on the contrary, I consider that that power is necessary in every new conquered country; in India, I should say, the power the Company have of making reasonable laws, is absolutely necessary; I would not continue it indefinitely.

5606. You

towards the under-tenants as the original and ancient proprietors ; there is a good feeling usually subsisting between the ancient proprietor and his under-tenants, whereas the auction purchaser is more keen after pecuniary advantage.

3006. Are the proprietors in general ancient proprietors in those provinces?—Yes.

3007. Do persons of all religious sects hold by the same tenure?—The religious sects I have met with have been only Mahomedans and Hindoos of different castes ; I know of no distinction between their tenures.

3008. Are the estates large or small generally?—In some districts they are small ; in the district of Gorruckpore for instance, which only yields a rental of about nineteen lacs of rupees, the separately assessed estates were about 13,000 ; whereas in Cawnpore and Allahabad, which yielded a rental far exceeding that of Gorruckpore, the separate estates did not amount to more than 3,000 in each, that is as far as I recollect, therefore in those two districts the estates may be considered comparatively large, and in Gorruckpore small.

3009. Did you enter into engagements with the proprietors of every one of those estates?—In Allahabad I entered into engagements with the proprietor of almost every estate, unless he was not known, or was not forthcoming, or refused to engage ; but I endeavoured, on almost all occasions, to get the proprietors into the possession of their lands to the exclusion of farmers ; I found that more satisfaction was thus given, and that the revenue was more regularly paid.

3010. In making those engagements, on what data did you proceed as to amount?—The plan I pursued was, to direct the tussuldar or native collector, some time previously to the formation of a settlement, to prepare an estimate of the resources of his jurisdiction, directing him at the same time to call the village accountants before him, and to take their accounts for a certain number of years, and as far as he could to correct the inaccuracies of those accounts. On some occasions the tussuldar, who was left in a great degree to his own discretion, made a cursory survey of the village or land, and prepared an estimate or account of the articles of cultivation, and the rates per beega, which is the third part of an acre, but the assessment was formed upon a conjectural estimate.

3011. Were you satisfied with the accuracy of those estimates?—The accounts which the village accountants presented were in most cases palpable fabrications ; and as they were almost the only persons who could give authentic information regarding the rent-roll, it became necessary to have recourse to other expedients by requiring the native collectors and officers of account to get as near the truth as they could ; and I looked occasionally at as many accounts as I could get hold of that appeared entitled to attention, considering the former assessment, the revenue paid to the native government

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5606. You are aware that the Company have been in possession sixty years of those parts of the country; do you consider your observation applicable to those parts?—I do not personally know any part which has been settled so long as sixty years; I should be sorry to see the power removed in the districts where I have lived in the Deccan, I should think it a necessary power.

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5607. How long should you think it necessary to continue it?—For a generation at least; they are educating very fast, I think they are getting more contented and settled, and subservient to English laws.

5608. You limit your objection to the period when education shall be complete?—Yes, to those who have lived under arbitrary government.

5609. In proof of the assertion just quoted, the petitioners refer to the criminal code of Bombay, which they state to be “vague in its language; that it regulates too much in detail the actions of the natives; that it abounds in severe discretionary punishment, by way of fine or imprisonment, or both; that it has an endless repetition of commutation of imprisonment for a fine; that the truth of facts is left to the decision of the British judge, without any effectual control in persons of the description of the accused; and that the judge has no sympathy with the persons subject to his criminal jurisdiction.” Does this character of the criminal code consist with your knowledge of it?—No, I think it is very severe and unjust; I do not know why they should say that the judge has no sympathy with them; I do not believe there is a better set of public servants in the world than those in Bombay. I should say it was a very severe and unjust imputation; I do not think there are a more honourable or assiduous class of men in any part of the world than the Company’s servants in Bombay. Mr. Elphinstone has taken the greatest pains to have them carefully instructed and qualified for their situations; I have lived among the natives a good deal, and am fond of them; I have heard their sentiments a good deal, and never heard a complaint against their superiors in the Deccan; they like some of course better than others.

5610. It is stated in the same petition, that throughout the judicial regulations of the Bombay government, there is not one on the principle of the writ of *habeas corpus*, and that this is in strong contrast with the criminal jurisdiction at the presidencies. Does this assertion consist with your knowledge?—I have been in the Deccan, where I would not wish them to have it just now, I do not see why they should not have the *habeas corpus* where they have been long accustomed to the English law, and are accustomed to our civil institutions.

5611. There is another assertion, that the gentlemen appointed judges in the courts in the interior are extremely deficient in the knowledge necessary to perform their duties; that they have no strong motive to stimulate them to acquire the necessary qualifications, and that this is a fundamental and incorrigible vice in the judicial system. Does this assertion on the part of

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ment, the quantity of land in cultivation, and the articles cultivated; in short, I made as good a guess as I could.

3012. Had you any authentic official record of what was paid to the native government?—I cannot vouch for the authenticity of them, but we had records; and when you are out among the people for any length of time, of course information is derived in many ways, from the canongoos, officers of registry and record; there are mirdahs likewise, who are people appointed to measure lands.

3013. Did you, after ascertaining the whole annual produce of an estate, assign a definite portion of that to the government?—The basis of the settlement is more nominal than real; I generally took what I considered a revenue, which the parties could pay easily; I made a deduction occasionally from the gross produce of the proprietary income, which was supposed to be about 14 per cent. from 50 per cent., the share that the government assumed being nominally half the gross produce. The calculations are however more nominal than real, because it is impossible, in the absence of authentic accounts, to know what is the gross produce; and when you are obliged to make a settlement by guess, of course you take what the man voluntarily agrees to give.

3014. Did you ascertain what portion the ryots paid to the zemindar?—No, I did not ascertain what portion they paid to the zemindar; but I observed that where he was an hereditary proprietor the ryots had generally few or no complaints to make; and where the occupancy had been disturbed, there the ryots sometimes complained.

3015. Was the result of that commission very satisfactory to the people?—Very much so.

3016. Then you are not of opinion that the ryots are severely rented?—In some parts of the country I think they are; I think that where the lands have been sold at public sale the ryots are oppressed in many cases.

3017. Have public sales taken place to a great extent in those provinces?—Not to any very great extent, excepting in the three districts above alluded to.

3018. What course did you pursue with respect to those lands that had been improperly sold?—We restored them to the proprietors who had lost them by public sale, or to their heirs.

3019. Should you say generally that the ordinary rate of rent presses severely upon the ryot?—So much depends upon the discretion of the zemindar, that of course it varies. In some places it presses heavily, in other places it does not press so heavily.

3020. Are there any intermediate tenants between the zemindars and the ryots?—In some places there is a person called a mocuddum, who is the head tenant, or a kind of land bailiff.

3021. For

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the petitioners consist with your knowledge?—I have no reason in the world to say that was the case. I know they change them about from one department to another, that is perhaps an inconvenience, but it must be considered that those judges are not required to be deep-read lawyers, only to have a knowledge of the regulations and a sense of justice.

5612. They say that the change from one department to another in the civil service, is too frequent to admit of the necessary ability in the judge; that at one time he is a ministerial officer at the presidency; at another employed in the judicial department in the provinces; at another in the collectorate in the provinces; and at another in the political department. Does this assertion consist with your knowledge?—I have no doubt of the practice, and I dare say it is a very inconvenient one, but one that might easily be remedied I should imagine.

5613. They also state that the chief judge of the supreme court of appeal in civil and criminal cases, was a gentleman who was never in the judicial department until he was made chief justice of those courts; are you aware of this fact?—That is merely nominal; the junior member of council is president, or supervises the decisions of the sudder adawlut. It does not require to be a great lawyer, he is only required to see that the others have given a fair attention to the examinations, and a good judgment upon them; he has no individual power whatever, it is his situation as member of council that is supposed to render him superior to any kind of bias whatever.

5614. It has been in evidence before this Committee, with reference to the relative degree of intelligence of the natives in Calcutta, Madras and Bombay, that it was difficult to distinguish between them in the degree of intelligence of either place; what is your experience?—I have no knowledge of Calcutta; the inhabitants of Bombay I should say are very superior in intellectual attainments to those of the Deccan, they have had more advantages.

5615. Compare them with the inhabitants of any town in this country?—I should say they are quite equal, if not superior to them; they are an uncommonly sharp and intelligent people.

5616. What do you think would be the effect on public feeling of giving the natives a power of deciding on the crimes committed by Christians?—I think the Europeans in general at first would be displeased at it, there is a tone of course in proportion as they are ignorant of the natives, of superior feelings, a superiority which perhaps would make them shrink from coming in close contact with them in the exercise of such duties, but that ought to be done away; and it is to give them a beginning and make the Europeans come in contact more with the people of the country, that I think the greatest good may be done to the country. They would resist a little I think at first; some of them are very haughty, some of them dislike natives, but

3021. For what term of years did you make the settlement?—It is many years ago since I made the settlement, but I think the last settlement I made was for five years.

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3022. Under the former government had the ryot a right to cultivate the soil in perpetuity, on paying a fixed rent, without increase?—Not that I am aware of; I should say not.

3023. Are the ryots now subject to increase of rent?—I think that the rent is frequently increased on them; one case in particular came before me as member of the Board of Revenue for the Lower Provinces; it originated, I believe, in the district of Jessore, where the purchaser or the proprietor had practised great exaction, so much so that I considered it my duty to submit the case for the consideration of the government.

3024. What were the particulars of that case?—He had hired, I understood, a number of armed persons for the purpose of oppressing the cultivators; had disregarded all existing engagements, and had collected as much as he could succeed in collecting by fair or foul means. The collector made a detailed report, which was submitted to the government, who ordered, at least if my memory does not fail me, that the proprietor should have the option of either relinquishing his purchase, or abiding a prosecution which they would order to be instituted in the court; he preferred, I think, to relinquish his tenure, and then the parties were satisfied.

3025. That was under the permanent settlement of Jessore?—Yes.

3026. Do you know that at first there was considerable doubt whether it was competent for the government in any way to interfere for the protection of those ryots?—I think it was considered doubtful by a member or members of the Board of Revenue, whether, under the regulations of government, the revenue authorities had any power to interfere, but a special case was made of it, and submitted to the government.

3027. In case the settlement was permanent, or for a term of years, has the government any legal power of protecting the ryot from the zemindar?—I think not; in the Regulations allusions are made, I think, occasionally, in favour of the ryots, but they are too vague to be practical.

3028. In those recorded engagements with zemindars are there any provisions introduced favourable to the ryots, or at all adverting to their situation?—I cannot possibly state, but I rather think there is, that they are to be treated with lenient consideration, &c.

3029. Was that the case in the settlements you made?—The engagements are very long; there are many stipulations; that the zemindars are to keep the roads in repair, and to aid the police; but I cannot possibly bear in mind all the stipulations. With respect to the ryots, I think it is that they are to treat them well, to be considerate, and not to practise oppression.

3030. Do not those general expressions reserve to the Company the means
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but do that away by bringing them together by law, and one party will feel himself more respectable, and both in the end be satisfied.

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5617. At present there is a limitation, that no native can be on a jury where Christians are to be tried; if that limitation was removed, and they were permitted to sit on juries on Christians, what do you think would be the effect?—I do not think you would get an exclusive native jury to sit on the trial of a Christian, that they would revolt at it; but that they would have no objection to sit half natives and half Christians; they are extremely kind and respectful in their feelings towards Europeans, and I think they would object to sitting entirely on the trial of any Christian, lest they should be considered to be harsh and vindictive.

5618. Would there be any feeling on the part of Europeans in acting with natives on this service?—Perhaps at first they would object, in proportion as some men find it very difficult to conquer old tastes and prejudices; the greatest fault of Europeans in India is, that they are a little too aristocratical or distant, and keep aloof from the natives, not mixing half enough with them.

5619. Would you have any objection to be tried by a jury of natives?—No, I should not myself; but I think I am, perhaps, an exception to most.

5620. Are you aware that merchants, and other European individuals, not in the service of the East-India Company, are desirous of seeing the natives eligible to serve on petit and also on grand juries?—I do not think I can say that I am positively aware of the fact; I think it very likely; for those persons, the merchants, are much more dependent on the natives, and come more in contact with them, and are more familiar with them, and understand them better than those men who hold public offices, and are perhaps obliged to keep them at a greater distance.

5621. Can they, generally, conduct the affairs of government, without the assistance of natives?—All the details of the public offices are, I believe, done by natives.

5622. Do you think there is any force in the objection that giving natives any power, of the nature referred to, over Europeans, would degrade the Europeans in their estimation?—I do think the Europeans at first would revolt at it generally; under that apprehension, and from want of that confidence in them, which however would arise from the natives' good conduct in improved circumstances.

5623. Do you mean mixed with Europeans?—In either case, if they were tried for their lives by any proportion of natives, most Europeans, I think, would; I do not say that they would be justified in doing so, but they would object to being tried by "a damned black rascal," as they would call him.

5624. You have said that the people generally have advanced in knowledge and intelligence during the last few years?—Yes, to a great degree.

5625. Are

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of interfering in particular cases?—The rights of the ryots are a subject of much interest and discussion among the revenue officers generally, and I think they are divided in opinion regarding it. I recollect myself making inquiries regarding the rights of the ryots, and I could come to no satisfactory conclusion, for the accounts were so contradictory. In one part of the district I might find that they had uniformly been well treated, and in others that they had been seriously oppressed. I did not see how I could afford redress, and in cases of oppression they had no resource but the courts; but one way to advance the prosperity of the cultivators would be to enforce a regular interchange of written engagements.

3031. Are there any written engagements at present between the zemindar and the ryot?—In some cases; and there is a Regulation on the subject, but it is evaded.

3032. Are they from year to year?—I cannot speak positively, but I should imagine that they vary; and I think the zemindars should be required to give regular receipts to the cultivator for the payment of instalments; if that were enforced it would prevent exaction, and facilitate the adjustment of disputes; but now where there is a dispute between the landlord and the tenant, in the absence of regular accounts, there is much difficulty; the village accountant, of course, could, if he would, facilitate all such proceedings, but generally speaking he has a bias towards the proprietor.

3033. What is the general character of that class of society—of the proprietors of land?—They vary in some parts of the district; they are what are called rajapoots, which are considered the fighting class, the military; and they, generally speaking, pay their revenue with tolerable punctuality; but it is dangerous in some instances to interfere with the internal management of their estates; a sort of feudal system obtains in some tenures.

3034. Is the rent paid by the ryot to the zemindar paid in money, or in produce, or in labour?—Generally in money, and in some parts in kind.

3035. If the revenue paid by the zemindar falls into arrear, what means are adopted by the government to realize it?—The system may have undergone some alteration since I left the country, but when I was collector in the western provinces, I had the power of arrest, of distraint and attachment of the estate, and finally the sale of it under certain forms; but the revenue was generally received through the medium of the tussuldar or native collector, and I looked to him generally for his portion of the revenue, leaving him to collect from his division of the district.

3036. Had he the same power that you had?—The powers are all recorded in the Regulations, from the Regulation XXV. of 1803 to XXVIII. of 1803.

3037. If the ryots fall into arrear of their rents, what means are adopted by the zemindars for realizing them?—They had the power of distraint and of sale under certain provisions, such as applying to the local authorities; the whole

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5625. Are you speaking of the whole population of the country?—Yes; a school was established in the Deccan before I came away, and I had an immense number of applications to get poor boys in from my native friends; and in Bombay it has been going on for many years, and is on a most beautiful footing on the Lancasterian system.

5626. Do you consider that the people consider themselves degraded by not being admitted into the superior offices?—I think they must feel it.

5627. Is that not likely to increase with their increasing intelligence?—Most decidedly, it must increase.

5628. How is it to be met if that is so?—Let them participate in the administration of the country, I should say.

5629. Should you say it would be safer for the government of this country to allow that intelligence to increase under that feeling of separation from the English, or to attempt to identify the natives and the English?—I think the first effect of it will certainly be, that it will tend to identify and make the people happy; I think that the ultimate end, when you have succeeded in educating a large proportion of the people will be, that they must find by every amelioration that you can give them, that they are still a distinct and degraded people, and if they can find the means of driving you out of the country they will do it.

5630. Can you prevent their finding out their strength?—I think the circumstance is so unprecedented in the history of man, that a handful of foreigners should continue to govern a country of sixty millions, which is fashionably called the empire of opinion, that the moment you have educated them, they must feel that the effect of education will be to do away all the prejudices of sects and religions by which we have hitherto kept the country, the Mussulmen against Hindoos, and so on; the effect of education will be to expand their minds, and show them their vast power.

5631. Would not the abolition of the existing disqualifications of natives, which they feel to be a degradation, and their fair participation with Europeans in all the advantages of our civil institutions in India, be a material corrective of such a tendency arising out of education?—For a time, as I have said before, no doubt it will.

5632. Would it not identify them with British dominion, and give them a common interest in preserving it, which they do not now feel?—To a certain extent it might do so.

5633. Do you not consider that such securities for the attachments of the inhabitants of India, would be both more honourable to the country, and more to be permanently depended upon, than any attempts to govern India by keeping its natives in darkness and ignorance?—I would decidedly enlighten them as much as possible; but then you lose the country.

5634. Supposing any rival European power were to find its way into India, would it not, by holding out the abolition of the existing disqualifications of natives,

whole process is described in Regulation XXVIII. of 1803, which is a very long enactment. 28 July 1881.

3038. Did the zemindars proceed with their tenants without any reference to the government?—In the upper provinces they did.

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3039. Do the courts afford the same facilities to the zemindars for recovering their rents as they do to the government in realizing its revenue?—The recovery of the rent was vested in the zemindar himself, for he had the power of distraint, and he could apply to the local officer for a sale, and therefore the court had nothing to do with him, unless there was a complaint from the ryot for an illegal distraint, and those points of litigation might come before the court judicially, but the same facilities, if any, appear to have been afforded to the zemindar as were granted to the revenue officers.

3040. In case of a sale what period of indulgence did you generally give to the defaulter?—I think the period was one month from the date of the advertisement in the gazette; notice was given to the public, a copy of the notification was usually sent to the judge, and another ought to be affixed, I think, to the dwelling of the person concerned.

3041. Did you make the sales in the provinces in which you were?—As collector, I made very few; I avoided sales of land.

3042. Do you understand that there had been much change of land since the British came into the possession of that country before you went there?—I think the proprietors are more generally recorded, and in possession of their land now than they were under the native government; and I think the condition of the cultivating class is improved, because under the native government they had not, I understood, the power of migrating; if they left one village and went to another, their persons were liable to seizure; now they can go where they like, and of course that secures to a certain degree better treatment.

3043. What property have the ryots in that country?—As far as I can judge, I think they, generally speaking, are a poor class; I have heard that in Bahar they are better off.

3044. Have they any property that may be called immoveable?—None, but their houses, that I know of, and I believe they claim the trees in some places.

3045. Where they have such property as that, what power has the legal authority over such property?—If the moveable property be not sufficient to liquidate the arrears, I suppose his immovable property becomes liable.

3046. Is it any particular class of ryots that has immovable property?—No, I do not imagine that they have any property in the soil acknowledged by us.

3047. From what you know of the Bengal provinces, what is the condition of the ryot in those provinces as compared with his condition in the upper provinces?—

natives, find the certain means of seducing them from their allegiance to us? —If they can once establish themselves, of course it would depend vastly on the power; they know there is no European power like ours, likely to conquer the country.

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5635. Would it not have a great effect on the minds of the natives, if any nation were to promise that they would remove those disqualifications?—I dare say it might, it would be bad policy to leave them the opportunity.

5636. Supposing those disqualifications were removed in time by ourselves, would any inducement remain to the people of India to prefer the dominion of any other European power?—No, I do not think any European power could have any influence with them, if we use our power properly, by giving them a participation in the government of the country, and promoting education and civilization.

5637. Do you think it possible for any two rival European nations to have possessions in the same districts of India, without provoking war between those nations; would they remain at peace in the same district?—No, all the example has been against that; France and England, whenever they had such districts, have local wars, without the mother countries participating.

5638. With reference to the preceding question, no such influence could be produced as that which is suggested, of promised indulgences and favours given by one nation, and not promised by the other?—No, unless it was the prelude to a powerful invasion, and that we had an immense Russian army on the banks of the Indus, and sending all over India, that they would relieve the people of India from our rule; but I question whether it would have any effect.

5639. If in the progress of time India were to become sufficiently instructed to understand the principles of the Christian religion, and to comprehend the nature of government, such as that which belongs to the British Constitution, is it your opinion that in that state of civilization India would permit itself for any length of time to be governed by the authority of England?—No, I should say not; taking the history of nations, that they would feel the value of governing themselves; it is human nature, I think, that they should.

5640. Is it not the case that in that state of civilization which you contemplate as of advantage, the British dominion in India must also be contemplated by you as to cease?—I have expressly said, that I think the effect of imparting education will be to turn us out of the country.

5641. If that should take place, are you prepared to say that India may not be of more value to us than it now is?—By no means; America has been of more value to us separate than as a colony.

5642. What portion of the population of India is most attached to the British rule, whether the most ignorant or the most intelligent; or, in a word, is there any part of India with which you are acquainted, where the attachment

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provinces?—My knowledge of Bengal is very limited; indeed I never had charge of a district in Bengal, I was only a few months a member of the Board of Revenue, but speaking from hearsay, I should say the ryots in Bengal were not better off than the ryots in the upper provinces, although there is no comparison between the rate of assessment in the two parts of the country.

3048. In what respect do you think the sales of land affect the condition of the ryot?—In the first place it destroys that connection subsisting between him and the old hereditary proprietor; a stranger comes in, who may be a Mahomedan, to a Hindoo village; now it must be very disagreeable to a Hindoo population to have a Mahomedan proprietor, for he will not be inclined to show them that degree of deference which they experienced under a zemindar of their own persuasion.

3049. In the case of a sale has the purchaser a right to alter the tenure of the ryot as to rent?—I cannot positively state whether he has the right or not; but I imagine that it has been generally considered, that when a sale of land took place existing engagements were annihilated.

3050. Then the purchaser is practically at liberty to vary the assessment and to increase it?—I do not exactly recollect what the Regulations say on the subject, but I think the purchasers consider themselves quite at liberty to increase the rent.

*3051. Is it not at any rate a disputed question whether the purchaser has not that right?—I think it was a disputed question.

3052. Is the system of sales a necessary part of a settlement of that description?—I think the sales might have been avoided, and I think they could now be avoided; but it must be recollected, that shortly after the conclusion of the permanent settlement, all the subordinate revenue establishments were done away with, and the collector was left alone to realize his revenue, which could not now be collected in any other way, unless the system pursued in the upper provinces was introduced into the lower, to which there is among others the objection of expense.

3053. What are the particular points of distinction exclusive of permanency between the permanent settlement in Bengal, and the settlements in the upper provinces?—There is no difference excepting that the settlement in the upper provinces is considered to be a heavier assessment, and that the collectors employed are obliged to be very vigilant and unremitting in exertion; in Bengal that degree of exertion is not considered necessary, the land being more valuable.

3054. You said that it had been considered whether the mode of collection in the upper provinces should not be introduced into the lower provinces, to what particular distinction did you refer?—The appointment of native collectors in the different portions of each district in Bengal, with a suitable establishment of clerks and persons to execute warrants; and then it would be

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attachment to the British government is so strong as at Bombay?—I should say the most intelligent. I look upon it the people of Bombay, who are intelligent and well educated, have higher expectations from those advantages, and look up to government with more confidence to derive those advantages, therefore, that they must have stronger excitement of loyalty and affection to government, than those who are perfectly ignorant.

5643. Are the Committee to understand your opinion to be, that in proportion as India becomes civilized and instructed, there would be a desire for independence?—I should think there naturally would.

5644. Even if that independence took place, you are not prepared to say that India might not be equally valuable to England as it now is?—Certainly not; there would not be such an outlet for gentlemen's sons for appointments and things of that kind, but I should think the profit of the country would be as great, there would be none of the expense and all the advantages.

5645. You are aware that the Mahometans occupied the supreme government of India for 700 years?—Yes.

5646. What leads you to think that India may not be connected with us as a colony of this country for the same period?—The very effect of educating them, which the Mahometans did not, would make the difference; the letting them know their own strength, that they must feel their own power, and the consequence must be the natural desire of turning every white face out of the country.

5647. How do you think it would answer to have mixed juries, in the same manner as is usual in this country on the trial of foreigners?—I can see no objection to it whatever; I think it would be a very good regulation.

5648. In your opinion is not the conciliatory and favourable opinion of the natives towards our Government of much more importance than that of the Europeans?—Yes, most decidedly; these things must be introduced I think some time or other, and in my opinion the sooner the better.

be necessary to increase the authority of the Bengal collectors by giving them the power of arrest of the person and of distraint, in short, the same powers that are described by the Regulations of 1803 for the guidance of the collectors in the upper provinces.

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Esq.

3055. How does it happen that the sales have been more frequent in the lower provinces than in the upper, considering that the assessment is low?—That may be ascribed to various causes, chiefly to the circumstance of the collectors of the lower provinces not possessing the same power over the person of the defaulter that they have in the upper provinces. The collector in the upper provinces generally looks to the crop; the collector in the lower provinces merely looks to the estate.

3056. What is the extent of the power over the person of the defaulter in the upper provinces?—If I recollect rightly, the revenue was payable in nine instalments, commencing about the month of September or October, and ending with May or June, and the revenue was payable between the 1st and 7th day of each succeeding month, and if the balance was not discharged by the 14th day of the month, the party might be summoned and detained in custody by the collector for a period of ten days, and if on the expiration of that period he did not liquidate the balance, he might be sent to the gaol of the district to the judge for confinement, and his property might be distrained.

3057. How long might he be detained?—Till the balance was recovered; but generally at the end of the year, if balances were considered desperate or irrecoverable, the prisoners were frequently released. Reports were required by the Board of Revenue of all defaulters in gaol, I think quarterly.

3058. Have you ever known any instance of a ryot appealing to the court against his zemindar?—Frequently.

3059. With what success?—With different success, according to the merits of the case.

3060. Did the sales of land in the provinces with which you were acquainted realize the revenue claimed by the government upon those lands? I made very few sales of land myself; I think that, as far as I can recollect, the proceeds of sale were trifling, owing to the little value of the property, and probably to the turbulence of the parties.

3061. Were the estates in different stages of cultivation, sometimes almost jungle, and sometimes in a high state of cultivation?—Yes; generally the two districts of Allahabad and Cawnpore were in an advanced state of cultivation.

3062. Has the tenant any means of collecting capital, or of materially improving his situation?—I should not say he had no means, but I think it is a rare occurrence to see a ryot possessing any considerable degree of capital.

3063. Were

I N D E X

TO THE

THIRD REPORT,

AND

MINUTES OF EVIDENCE

TAKEN BEFORE THE

SELECT COMMITTEE

OF

THE HOUSE OF COMMONS,

17th FEBRUARY to 6th OCTOBER 1831.

28 July 1831.

*H. G. Christian,
Esq.*

3063. Were the zemindars wealthy men in those provinces?—Not generally.

3064. Are there any improvements you can suggest with reference to the protection of the people from oppression in those provinces, beyond the regular protection of the courts?—I think to facilitate the decision of civil suits, and disputes between landlord and tenant, and to avoid as far as possible sales of land, or any violent means of coercion, would be advantageous.

3065. How would you facilitate the decision of suits?—To facilitate the decision of suits, you must either increase the European agency, or make use of native agency. I think the natives would be found competent to discharge the duty proposed.

3066. What kind of native agency would you think it desirable to employ?—Where the tussuldars or native collectors are established, they might be made use of; and where they are not, additional native judges might be appointed.

3067. Do you think the natives would be as well satisfied with native judges as with European?—Certainly not so well satisfied as with European. The natives are many of them very well qualified, and very shrewd people, but their integrity is open to suspicion.

3068. Is there any portion of the land in those provinces which is free from public assessment?—Yes; lands held rent free and under various denominations, either for the support of religion, or as a reward for some services performed by individuals to the native governments: in short, there are various kinds of grants under which land is held exempt from the public revenue.

3069. You stated that the reason for the appointment of the commission of which you were a member, was an abusive alienation of property in those three districts; was that chiefly through the courts of justice, or by other means?—It originated chiefly from the frauds and chicanery of the native revenue officers.

3070. At that time, previous to the appointment of the commission what was the nature of the court of justice which existed in those provinces?—There was a zillah court, consisting, generally speaking, of a judge who had original jurisdiction, and the registrar who tried suits to a certain amount referred to him by the judge. Then there was a provincial court of appeal, which received appeals from the judge to a certain amount.

3071. Were those courts superintended by Europeans at that time?—Yes.

3072. Were you rightly understood to state that the extensive sales of property you have mentioned had taken place partly under the decrees of the court?—Not under the decrees of the court; in some of the cases of sale the parties had appealed to the courts, and the suits having been dismissed, those cases came under the cognizance of the special commission.

3073. Were

3073. Were those sales arrested by an appeal to the court in any case? 29 July 1891.
 —They may have been in some cases, but generally they could not have been, because it was found that the alienation of property had been very extensive: *H. G. Christian, Esq.*

3074. Did you ever know in that part of India, especially in that part which was under the permanent settlement, so much gross injustice arising from the alienation of property as that which took place at that period in the Ceded Provinces of India?—My knowledge of Bengal is too limited to admit of my speaking to that; I never heard of any such general alienation of property, but individual cases I have heard of.

3075. Under the system which existed in the provinces over which you were collector, did sales of property frequently occur?—Very rarely.

3076. Did not alienation of property from those possessing it, from other causes, frequently occur?—I cannot speak to that point, but my opinion is that they were likewise rare.

3077. You have stated that you made a settlement with the zemindars, how did you ascertain the proprietary right previous to making the settlement to which you have alluded?—In the first place I looked at the record, and saw what name was recorded in the preceding settlement in the column of proprietors; I then invited all claimants to appear who had any thing to urge in opposition to the interests of the person recorded; I then held a summary proceeding, and endeavoured to decide the case as far as I could on the merits of it; I had not the power of disturbing possession, but frequently I was enabled to settle the dispute by arbitration. If no adjustment could be effected, I gave the preference to the persons *bond fide* in possession, and referred the others to substantiate their claim in a court of judicature.

3078. Did that process enable you to ascertain what were the rights of either the village officers or of the ryots in the district where you made the settlement?—The rights of the ryots, as I before mentioned, have never, as far as I can judge, been regularly ascertained or defined in those provinces. Some people are disposed to think that they have a right to the occupancy, that they ought not to be ejected so long as they might continue to pay the rent; others again are of a different opinion, and think that a zemindar has the right to eject a tenant if he will not agree to an enhancement of rent.

3079. Did you find those rights, whatever they were, settled at the time you made the settlement with the zemindars?—No; nor do I believe they were ever settled, that is, precisely defined.

3080. You stated that you made the last settlement for five years; how many five years settlements did you make?—Some were five years, and some were four years settlements; I think I never made more than one settlement in a district.

3081. You

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N. B.—The Figures following the Names of the Witnesses refer to the Questions in the Evidence, and where the letter *p* is prefixed, it refers to the paging generally. The several Appendices to the Third Report and Minutes of Evidence are each accompanied by an Index, in which the articles noticed below are immediately referred to.

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3081. You have stated that under the present government the ryots have the power of migrating from one part of the country to another, do they in fact migrate?—I cannot charge my recollection with any instance, but to the best of my belief they do in cases of ill-treatment.

3082. Have you known any instances in which, having attempted to migrate, they have been forcibly brought back?—No; I cannot charge my recollection with an instance of that kind, but I dare say it may have occurred.

3083. Should you not say that they are of frequent occurrence in India?—I should not think they are of frequent occurrence.

3084. When you speak of the ryots being generally poor, should you say that there were degrees in the condition of those ryots in those provinces, or that they were all reduced to the same level of poverty?—I should think there were degrees, but in general that they were poor.

3085. Did you know any of those ryots that were in what you should consider comfortable circumstances?—I have known estates where the ryots apparently had nothing to complain of; they seemed to be very comfortable; in others again quite the reverse; I should say that in some villages they were well off, and in other villages that they were badly off.

3086. Is there any class of ryots that you would consider above the rest?—I think there are grades among them, but that generally they are poor; for instance where the cultivators are relations of the proprietors they are better off.

3087. You have stated that complaints were in some instances made to you with respect to the condition of the ryots; can you state what was the general nature of those complaints?—As far as I recollect they were complaints about exactions, that is to say, more was demanded or taken by the proprietor than was stipulated.

3088. You have stated that considerable oppression has occurred in those parts of India subject to the permanent settlement from the change of the zemindars, and from the fact of Mahomedans sometimes making the purchase of a zemindary which a Hindoo had previously possessed?—I was only supposing a case that must have occurred.

3089. In the settlement you made in the provinces to which you have alluded, did you pay any attention to that fact of the religion of the zemindar?—If I may be allowed to say any thing with regard to my own proceeding, I may mention, that the Board of Commissioners, in passing their orders on the settlement of Allahabad, observed, that only two cases, I think, had occurred of an appeal against my decision regarding the selection of persons with whom the settlement had been made.

3090. Did the religion of the party with whom you made the settlement enter into your consideration at the time you made it?—I was bound to make a settlement with persons in possession, if proprietors, without any reference to the religion of the parties.

3091. Is

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Ammunition. The Company's ports are supplied by application to the arsenals of the

3091. Is the land, generally speaking, extensively cultivated in those districts, or is there a considerable quantity of waste land?—Cawnpore and Allahabad, and Furruckabad, I should consider in an advanced state of cultivation; Gorrockpore is quite the reverse.

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3092. At what period did the provinces in which you were employed come into the possession of the government?—I do not exactly recollect the precise period, but there were several periods; some of the provinces probably came into our possession in 1802; my employment commenced in the latter end of 1807, and extended to 1820, as collector.

3093. Does not your experience in India lead you to believe that the countries coming into our possession from the native states are liable to much more abuses in the introduction of our authority, and greater confusion in their settlement and administration, than those of which we have had longer possession?—I should think that of course the abrupt introduction of new laws and regulations into a newly acquired country may produce confusion.

3094. You have said, that with respect to the cultivators of the land, you had not a minute knowledge of their rights, either from their hereditary claims as proprietors of the soil, or from usufructuary rights, or from occupancy; did any cases occur in which they claimed those rights in various disputes you had to settle between them and their zemindars?—From time to time various claims may have been made, but, as I said before, it is my opinion, that the rights of the cultivators had never been ascertained or defined; I never could come to any conclusion regarding the precise rights of the ryots.

3095. Were there not in the countries subject to your management different classes of ryots, particularly two distinct classes, one considered as permanent and fixed ryots, and the other migrating ryots?—There were two descriptions of ryots, there was the khoodkasht or resident ryot, and the other the pacekasht or the cultivator, who did not reside in the village, but resided in an adjacent village, a kind of hired labourer.

3096. Which of those classes was considered the most respectable in those countries?—The khoodkasht.

3097. Do not you conceive that the settlements which you made with the zemindars were of the nature of those settlements that had been common to the native governments under the name of istemrar?—No; I consider the term istemrar to apply to an assessment fixed in perpetuity, or not subject to increase; the settlements I made were of a temporary nature, although the settlement of Allahabad was made in the expectation of its being declared permanent.

3098. Do not you conceive, that though there is this difference in the nature and duration of the tenure, yet that both tenures left the ryots in the same relation to the grantee, that is to say, that government looked to the

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person to whom it made the grant of the estate?—Yes; excepting, if I recollect rightly, in some of the Regulations, it says that no zemindar has power to grant a lease to his under-tenant for a longer period than he holds himself of the government.

3099. Have not the relations and connections of the zemindar and his family frequently villages and lands given to them, as under-lessees, so as to render their condition as a class superior to the other inhabitants?—I think the relations and connections of the proprietors were generally treated with a greater degree of consideration, which made them of course in most instances better off in point of circumstances than the cultivators.

3100. What in general was the condition of the mocuddums of the different towns and villages under your management?—Mocuddum is a convertible term in most parts of the country; where I have been it implies the head cultivator or land bailiff of the proprietor, but in other parts it implies the elected representative of a body of proprietors. Their circumstances of course vary with reference to the application of the term; in one part of the country they seem to be the chief proprietors, in the other part of the country they are subordinate persons.

3101. In cases where they are elected by the proprietors, is it by a body of proprietors, of persons holding estates, or minor persons?—If there are four partners in an estate they elect one of the four to manage, and he is called the mocuddum.

3102. The question refers to the person who is immediately the head of the town or village?—In the part of India with which I am conversant, the mocuddum implies the head ryot, the person next to the zemindar. Where the estates comprise many villages the head man of the village would be called the mocuddum; and frequently it will be found that that person has been at one time or other the proprietor of the village, and that he or his ancestors have executed a deed of sale in favour of the present zemindar. A tallogor, which implies several villages comprised in one estate, is thus formed; but even that is a convertible term, for in the upper provinces it implies an estate comprising many villages; whereas in Bengal, I believe, it implies a village dependant upon another.

3103. Where such mocuddums exist of towns and villages is not such person generally, if not always, a native of the place, and one who has held that office for a period by hereditary right?—I think that he is, generally speaking, a native of the place, and has resided in that place from time immemorial, but I am not prepared to say by hereditary right.

3104. Is not he generally a person who, from wars, or distress, or oppression, or other causes, has been obliged to part with or sell those rights which he formerly enjoyed?—In times of anarchy and misrule, of course, unjust encroachments and usurpations took place, and therefore he may have been induced, from motives of fear, to avail himself of the protection of a powerful neighbour.

3105. Are

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3105. Are you aware how he is supported, or whether he receives any thing for exercising his duty as a mocuddum, or head of the place ; and if so, whether that is in the shape of a grant of land, or by money payment, from the zemindar under whom he acts?—I cannot state precisely the kind of provision that he receives, but I believe that the mocuddum generally has some consideration either in money or in kind from the proprietor, sometimes in grants of land rent free, or at a low rent.

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3106. Have you ever heard that former governments were in the habit of expelling or taking away from the koodkasht ryots the lands which they claimed either by hereditary right or by their right of occupancy?—Much oppression seems to have been practiced by the former governments ; I do not think they respected the rights of individuals, they looked to the revenue, and they collected it by any means ; I recollect no instance of the sort referred to in the question, but as I was not in those provinces during the native administration, of course I could not well know much on the subject.

3107. In various parts of the country in which you were employed, did you not find the rights of tenure in many of those provinces vary extremely?—In the district of Bareilly, in making the settlement of a portion of that district, paying about £28,000 per annum, nearly the whole of the engaging parties were denominated mocuddums, and few or no persons came forward to claim the proprietary right. I could not ascertain with precision the reason, but I was given to understand, if I recollect rightly, that at some former period that part of the country had been bestowed upon some favourite at court. I imagine that the government, after a certain time, bestowed the proprietary right in those villages on the mocuddums.

3108. You stated that you think there is danger in some cases from interference with the zemindars ; to what kind of danger do you allude?—To reaches of the peace.

3109. For what period can you recollect revenue defaulters, without any other crime, being confined in any of the gaols?—I cannot charge my memory with that, but the usual period would be till the end of the year, that is to say, supposing a man was confined in the month of May or June, when the revenue of the year ought to have been nearly received, he would be released in two months or so, unless he were detained for the sake of example, and then of course a much longer period might elapse. It is generally found to be a bad plan to keep the proprietor in gaol, unless he really has the means of making good the balance.

3110. Do you conceive that generally the administration of justice in the western provinces where you were, as it relates to revenue defaulters, is considerate and lenient?—I think a great deal depends upon the kindly feeling of the collector himself ; if he chooses to be severe, he has the power of being so.

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Martis, 2^o die Augusti, 1831.

SIR JAMES MACDONALD, BART. in the Chair.

JAMES MILL, Esq. called in; and examined.

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3111. You hold an office in the East-India Company's service?—Yes.

3112. What office do you hold now?—At present I am Examiner; that is, the head of the office which has the principal charge of the correspondence with India in the political, revenue, judicial, and general departments.

3113. That of course gives you a knowledge of all the transactions of the Indian government?—I have had a familiar knowledge of the records of the Company, and the correspondence, during the time I have held that office.

3114. What is generally the system of revenue in British India?—I think I can best answer that question by mentioning first the principal sources from which the revenue is derived. The land revenue is the main department; the salt monopoly and the opium monopoly are two other sources. There are the customs, both land and sea customs, and the stamps; there are some smaller articles, but from these sources generally the revenue is derived. The land revenue being mainly derived from the cultivators of the land, the interests they have in the land, and the relations in which they stand to one another, and to other parties having an interest in the same land, need to be held in view in order to have a correct knowledge of this main part of the revenue system. The great peculiarity, as it appears to me, in the state of the land in India, arises from the situation of the great mass of cultivators, who hold the land generally in small portions, in a way different from what is known in Europe, and to a considerable degree different from what obtains in other parts of Asia. The peculiarity consists in the mass of subordinate cultivators being land-holders, having a right to the perpetual hereditary occupancy of the soil so long as they continue to pay the revenue demanded by government; the demand of government being unlimited, although practice, long continued, was understood in a certain vague way to fix a limit. The land in India originally, I imagine (generally speaking), was distributed in this way, among a class of men who cultivated the land with their own hands and with their own means, having the right of perpetual occupancy, and subject to the demand of government, which in general was limited, according to established practice, but according to the declared right of the sovereign, was unlimited; and according to all I can gather from the practice of former governments, never was less than the full rent, probably in many instances more, not unfrequently as much more as could

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3115. What is the difference in the mode of collecting the land revenue in the different parts of British India?—The difference mainly consists in the different degrees of summariness or detail. By the Mahometan governments, a mode of collecting the revenue to a considerable degree summary was generally adopted. In some places it was no farther summary than by being collected in one sum from one village. In other cases it was received in one sum from officers of government who had charge of districts, sometimes of more, sometimes of less extent, and were known by various titles, as talookdars and zemindars; the officers employed in the summary mode of collection being rewarded by the government generally with a per-centage on the collections. In Bengal, Behar, and Orissa, under the Mahometan governments, the revenue was collected in the most summary method. We there found zemindars managing considerable, sometimes extensive districts, whose obligation consisted in paying a certain annual amount to the government. The British government, as is well known, formed the resolution in 1793 of making proprietors of the zemindars whom it found in Bengal, by fixing the assessment for ever. The sum which a zemindar had been in the habit of paying was ascertained by the observation of a few years backwards, and the engagement was that this should never be raised upon him. The effect has been to render the zemindars, to a considerable extent, the land-owners of the country: in general they have been so called and so treated in the practice of the government, and even in the practice of the courts of law.

3116. Is that what is known by the name of the permanent settlement?—Yes, or the zemindary settlement.

3117. What is the distinction between that plan and the plant hat prevails in the other presidencies?—The permanent settlement has not obtained at any of the other presidencies, with some exceptions in Madras, including certain polygars in the south, and hill-chiefs in the Northern Circars; in most instances the descendants of small Hindoo rajahs, who rather paid a tribute or peshcush than had been ever subject to the regular revenue system of the Mahometan governments. Several of those hill-chiefs, whose people were not easily managed by any body but themselves, have been considered as permanent proprietors of those estates, and pay an assessment analogous to that of the zemindars in Bengal. With these exceptions, the Madras territory is either under a village settlement or ryotwar.

3118. What was the date of the permanent settlement of Bengal?—1793.

3119. What is the system under the Bombay presidency?—In the Bombay presidency, to a great extent, the village settlement prevails; in several recent instances the ryotwar system has been introduced.

3120. What is the distinction between the three sorts of settlement, the village, the ryotwar, and the zemindary?—Under the permanent settlement the zemindar continues to pay a fixed sum to government, and he levies this

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this from the ryots on the property. The principle of the zemindary settlement was a share of the rent of the land with government. By the practice of preceding governments, one-tenth of what was collected by the zemindar (I speak of Bengal) was allowed him as his remuneration; he had other sources of profit; but it was upon the principle of this division that the permanent settlement was made; the understanding was, that nine-tenths of the rent or of the net produce of the land collected from the ryots was paid to government, and one-tenth was reserved for the zemindar; the progress of circumstances has very much altered those proportions. The obvious difference between this system and the ryotwar is, that the zemindar collects from the ryots by his own agents. In the case of the ryotwar system, the collections are made by officers of government; every ryot is understood to make his bargain with the government without the intervention of any middle-man. There were peculiarities in Sir Thomas Munro's mode of the ryotwar, chiefly from an attempt to ascertain the rents more exactly. In those places in which it has been attempted in Bengal, nothing more has been done than to settle with the ryot how much he should pay for the whole of his holding. The principle of Sir Thomas Munro's ryotwar was to assess each acre of the land separately; the ryot was then charged so much for the land which he cultivated.

3121. Was that his maximum?—The rate fixed was the maximum; it was the utmost amount that was to be taken from the ryot; and in Sir Thomas Munro's idea of ryotwar settlement, this maximum was to be considered permanent; it was never to be enhanced, though it might be diminished. It is from the detail that the difficulty arises; because though this be fixed as the maximum that the ryot shall ever pay, it rarely happens that he is able to pay so much; and that being the case, a sort of bargain is to be made with him annually, and of course in that bargain a great deal of discretion is necessarily involved.

3122. What is the distinction between that and what you term the village system in Bombay?—The village system consists in settling with the village how much the village collectively shall pay. The officers of the government do not go into the detail to collect from each ryot, they only collect from each village the sum so assessed upon the particular village, according to the best estimate that can be made, and that assessment is generally regulated with some person of authority in the village, whom the villagers themselves put forward, and who goes by different names in different parts of India; village zemindar, potail, malick, mocuddum.

3123. In the provinces under the Bengal presidency, is there not a distinction in the system by which the land revenue is collected?—There is a great distinction between the mode in the lower provinces and in the western or upper provinces. The provinces of Bengal, Behar, and Orissa are subject to the permanent settlement. The upper provinces are not under any permanent settlement, and the general mode of assessment there is by villages.

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A settlement more in detail has been attempted, in some cases, with good success, and in others with indifferent success; generally the collectors in Bengal have not been favourable to the collection in detail, they have been partial to the more summary methods. From the mode of effecting these village settlements inconveniences have occurred, because the name of the person who engages with government is generally entered in the books of the collector as the proprietor of the village, and no other name besides. When the lands of a village have come to be sold for arrears of rent, this engager with government has been considered as the proprietor of the whole of the village; and the auction purchaser has been considered, and has been allowed in too many instances to act as the proprietor of the village; whence the other villagers were deprived of any permanent interest they possessed, and were reduced to the state of tenants at will.

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3124. Will you state generally the district within which those different kinds of settlement prevail?—I stated, in a general way, the three great lower provinces, Bengal, Behar, and Orissa, are under the permanent settlement. The ceded and conquered, or as they are generally called, the upper provinces, are not under the permanent settlement, they are for the most part assessed by villages.

3125. Do you know what the mode of assessment is in the kingdom of Oude?—In the kingdom of Oude I imagine it is for the most part summary; there are zemindars of a very considerable extent, who have troops and castles, and our forces have sometimes been called for and needed to coerce them.

3126. Is that a permanent system of settlement?—There is no permanency in Oude. The zemindars are merely officers of government collecting large districts and holding considerable authority, as was the case under the Mahometan governments generally; those officers had the civil government of the country placed in their hands, with troops under their command; their's was the Dewannee authority. A military authority was commonly established in the same district, under the name of Nizam, in the Bengal provinces, and Foujdar, in the Madras provinces. The civil branch of judicature was in the hands of the zemindar, or the revenue chief; the penal branch was in the hands of the military chief. Some of our names are derived from these circumstances: the supreme criminal court in Bengal is called the Nizamut Adawlut, and the supreme criminal court at Madras is called the Foujdaree Adawlut.

3127. What is the system in the ceded territory on the Nerbudda?—That is one of the recently-acquired territories, and these were placed for a time under a sort of provisional management. The regulations were not immediately introduced into those provinces. The strictness of our methods, particularly of our law proceedings, has been found to be very unpalatable to the leading men in those newly-acquired countries; and it was thought advisable to reconcile them to it by degrees. The country was placed under commissioners. There was one commissioner that had charge of those territories

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3128. What is the case in the ceded provinces in Oude?—The provinces that were ceded by the Nabob of Oude to the English Government were included in my answer respecting the ceded and conquered provinces generally; the settlements are collected most commonly in the village mode.

3129. Is it a village settlement in the ceded territories on the Nerbudda?—Yes; generally speaking, wherever large zemindars have not existed, and they were found rarely any where except in the lower provinces, the assessment and collection is by villages.

3130. What is the mode of settlement in Tanjore?—The settlement in Tanjore has been by villages. Considerable objections were started by a class of village proprietors, called there meerassaders, to Sir Thomas Munro's ryotwar system, chiefly on account of the distribution of the waters. It is a country fructified entirely by irrigation from the Cavery; and it was stated and urged that if the villages were not assessed in common there would be perpetual contests and quarrels about the distribution of those waters to the different fields, and that no mode was therefore applicable to Tanjore but a village assessment. That accordingly was adopted and persevered in for several years. At last it appeared to the government that it was not answering; that is, it was found, as is very generally the case where the distribution of the assessment is left to the inhabitants of the village among themselves, that oppression was practised upon the inferior holders, the poorer ryots, by those in the village who had more power. Such evidence of that presented itself to the Madras government before the death of Sir Thomas Munro, that a ryotwar survey was ordered of Tanjore, with a view to introduce the ryotwar settlement. That survey is now going on.

3131. What is the system in the ceded and conquered provinces in Mysore and those ceded by the Nizam?—Those ceded by the Nizam, Cuddapah, and Bellary,

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3132. What is the system in those countries ceded by the Guicowar?—The mode of collection in Guzzerat generally is by villages.

3133. You have stated that it is always the practice in India that the principal source of revenue should be the land; is that a practice which we have maintained?—It is.

3134. Do you conceive it is possible to avoid following that system, or do you think it is an advisable system?—I should not think it either possible or advisable to avoid it; not possible, because there is really no other adequate source of revenue in India. India is a country exceedingly poor. There are few sources of industry different from labour upon the land. If you were therefore to abandon the land revenue, there is no other means that I am aware of, of obtaining a revenue. You might, to be sure, proceed by indirect means, but it would come to the same thing; you must either go without the revenue, or you must take it where it is to be had. I conceive, however, that the peculiarity of India, in deriving a large proportion of its revenue from the land, is a very great advantage. Nine-tenths probably of the revenue of the government in India is derived from the rent of land, never appropriated to individuals, and always considered to be the property of government; and to me that appears to be one of the most fortunate circumstances that can occur in any country; because in consequence of this the wants of the state are supplied really and truly without taxation. As far as this source goes, the people of the country remain untaxed. The wants of government are supplied without any drain either upon the produce of any man's labour, or the produce of any man's capital.

3135. You have described various systems of collecting the land revenue; which of those do you think is the most advantageous for the people?—I conceive that as matters are at present settled in India, by far the best security for the inferior people is, that the assessment should be made and should be collected from them by the officers of government, without the intervention of a middle-man. It appears to me that the interest of the ryot is much more likely to be protected if he transacts with the officer of government under all responsibility to which he is liable, than if he transacts with the other species of middle-man; and I should say that the experience of India goes to that conclusion. With respect to village settlement, the villages being a sort of fraternity, very often claiming to be relations, and in some cases calling themselves brethren, it was sometimes thought that the inferior ryots would be under an equitable and kind management if the assessment was distributed upon them by the heads of the village; but experience has gone very much to the contrary; it has been found that those heads of villages are in almost all cases oppressors of the inferior ryots.

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3136. What do you suppose to have been the object for which the permanent settlement was introduced?—I believe the permanent settlement was introduced with the best of all possible motives, with a view to the protection of the whole mass of the agricultural population. That appears to me, from the proclamations of government at the time, and other documents, to have been the object in view. From our want of experience, great abuses had before that time been practised by the different sorts of people whom we employed in the collection of the revenue. The detail of the business was so great, that it frightened Lord Cornwallis and the government of the day, and they conceived that no better method for the protection of the ryots could be invented, than to create a species of landlords, from which they expected much benefit to arise. The ground upon which their reasoning principally went was this, that those zemindars having a permanent interest in the land assigned to them, would feel an interest in the prosperity of the ryots, in the same manner as a landlord in England feels an interest in the prosperity of his tenants. This was expected to produce two good effects; to create a landed aristocracy in the country, and, above all, to afford protection to the ryots from this kind of paternal feeling that was expected to pervade the zemindars. Unhappily that last expectation has been found to be very far from corresponding with the facts; they little understood the nature of the men with whom they were transacting.

3137. Did the permanent settlement recognize any rights in the ryots?—In a general way, I should say they were clearly recognized. In some of the Regulations that established the permanent settlement (and if my recollection is accurate, it is Regulation 1, of 1793), there is on the part of the government not merely an acknowledgment of certain rights belonging to the inferior holders on the property that was thus transferred to the zemindars, but a reservation on the part of government of a power to interfere for the protection of those rights, and to make new regulations and laws for that express purpose.

3138. To what extent do you believe that the permanent settlement did affect the rights of the ryots?—I believe that, in practice, the effect of it has been most injurious. The most remarkable circumstance, and that by which all the rest seem to have been introduced, was the interpretation put upon the effect of the sales of land, particularly public sales that were made for recovering arrears of revenue. The idea came to be entertained, that the purchasers at those sales were proprietors. They were denominated proprietors: a man that purchased an estate was considered to be the proprietor of that estate; and in consequence of this notion of proprietorship, and the great powers that are annexed to it in the mind of an Englishman, an idea seems to have been entertained that the purchaser of this estate purchased the rights over it, as completely as a man would purchase rights over an estate, by purchasing it at a public sale in England. Those auction purchasers, as they were called, proceeded to act upon this assumption, to impose

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3139. Do you conceive that at present the transfer of property by any means is held to give the new acquirer a complete right over the cultivators? I believe so: the thing is not so distinctly made out upon the records in other cases as in that of the auction purchasers, but there is every reason to infer that the same sort of feeling that was generated in the case of those estates that were sold, now pervades the whole of them. There is a very remarkable expression in one of the despatches from the government of Bengal, that the rights of the ryots in Bengal, under the operation of the permanent settlement, had passed away *sub silentio*.

3140. Has it come to your knowledge that the government of Bengal some years since directed queries to be circulated among the collectors in the permanently settled provinces, to ascertain whether, in point of fact, the transfer of property was held to annul existing rights?—Yes, there were queries of that description circulated, and replies were obtained from a great proportion of the collectors and judges; there was diversity of opinion upon the matter of right, but with respect to the matter of fact, it was admitted that generally such had been the construction.

3141. Did the government take any steps in consequence of that coming to their knowledge?—The government took certain measures to stop the thing in future; but when the rights of the ryots had already passed away *sub silentio*, there was hardly any thing to be done, the evil was consummated.

3142. When did this occur to which you are now alluding?—I think in 1824.

3143. Did not they pass some Regulation to correct the evil?—There is a Regulation of 1822, which was expressly intended to obviate the inconveniences, the frauds and injustice which it had been found were apt to occur in the case of public sales. It has been enacted in a recent Regulation, that in no case of sale shall anything whatever be considered as sold or saleable by the previous owner of the property, but such rights as he him-

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self possessed; thus all existing rights of those holding under him are reserved.

3144. Are you of opinion that at present the ryots have no rights at all in the land?—Generally that is the case; they are mere tenants at will of the zemindars in the permanently-settled provinces.

3145. Could the government by any process now return to the rights which existed in the year 1793?—There is one mode which has long appeared to me an unexceptionable one, and requiring only time for the full benefit of it: it is this; that whenever any zemindary property shall come to be sold, it shall be purchased on account of government, and re-settled with the ryots upon their old hereditary principle. This has been strongly recommended by the home authorities.

3146. How are those old hereditary rights to be ascertained?—The great thing is to confirm them in their possessions as hereditary occupants. The object is, that government should never hand them over to the zemindars again, but that they should remain the ryots of government, from whom the government collector will collect individually. In other words, those estates are to become ryotwar.

3147. Are there any means of ascertaining the amount of the payments which the ryots made in 1793?—By no means accurately. In Bengal the accounts of the village accountants are altogether unworthy of credit; they are mostly fabricated for particular purposes.

3148. You were understood to state that the Court of Directors had recommended that the zemindaries which come for sale shall be purchased by government, and re-settled upon the ryotwar system; would they receive a much larger rent for them on the ryotwar plan than they had on the zemindary plan?—They do not collect from the ryots under the zemindary plan at all.

3149. In those cases in which this new enactment of the Court of Directors is brought into effect, is not the only advantage given to the ryots this, that there is to be no payment required from them beyond the payment which they made at the latest date before the sale?—There is nothing fixed in regard to the payment that may be obtained from them. A settlement is then made with them according to what may appear to be reasonable.

3150. Do you recollect the date of that late direction of the Court of Directors?—It has been given, in terms more or less explicit, in more despatches than one, within the last few years. In a despatch of the last year it has been more particularly enforced, and in the shape of an express injunction; for at first the government of Bengal started objections to it on the score of expense and difficulty, and they complained that a great many of the collectors would be very ill judges of the value of the land.

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3152. Under this order of the Court of Directors are the lands under the zemindary system brought to a public sale?—They are brought to a public sale, because otherwise it would hardly be a fair bargain; they are put up to auction and bought in on account of government; the government is a competitor with other intending purchasers in open market.

3153. Are there many competitors?—There are sometimes more and sometimes fewer; it depends upon accident. It is somewhat remarkable, in regard to those zemindars of Bengal, that it is more difficult to collect the revenue from them than it is from the people who are not under the permanent settlement in the upper provinces. The extent of land advertised for sale having alarmed the Court of Directors, they desired that queries upon the subject might be circulated. From the answers it appeared that these zemindars were in the habit of refusing to pay till the last moment. It is common with them to permit the whole process to be gone through for bringing the property to a sale, and to come into the collector's office where the bidders are assembled, praying for a postponement, and when that cannot be obtained, to produce the money and stop the sale. The consequence of this undoubtedly has been exceedingly injurious to the persons who are obliged to sell and are not prepared with their money at the time. It was inferred by the Court of Directors that this practice could not fail to prevent bidders coming forward, it being thus impossible to know beforehand whether the property would be sold or not; and very lately instructions have been sent to require the tender of payment to take place a certain time antecedent to the sale, otherwise the sale not to be stopped; but out of tenderness even those zemindars that can tender the money on the day of the sale may enter into competition for the repurchase of the property.

3154. For what reason did zemindars, having the means of payment, defer the payment till the latest moment?—They deferred the payment for a very obvious reason: the rate of interest of money among themselves is at least 24 and sometimes 30 per cent. per annum, while they are only charged 12 per cent. on their arrears to government; of course the longer they can refrain from payment, if they need to borrow, or the longer they can keep out their money at interest, if they are in a condition to lend, so much the better for them; and it is a principle of the people of India generally, never to pay till they are compelled to do it.

3155. In case of a gift of an estate, or the descent of an estate, is it supposed that the new possessor has a complete power to make new terms with his ryots, as well as in the case of public sale?—My inference undoubtedly would be, that what was originally understood of auction purchases, is now understood of all the zemindars generally; that not only the ryots upon those estates that have been sold at auction have no rights, but that the same is the understanding with regard to all the rest.

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3156. It is presumed that the directions of the Court of Directors do not apply except in the case of public sales?—No; in the case of private sales, where the transfer takes place between a zemindar and another party in the way of private bargain, they do not interfere; but the instruction is, that in all cases of public sales where there is not any great sacrifice on the part of government, the estate shall be purchased on the part of government, and then settled with the ryots on the ryotwar principle.

Jovis, 4^o die Augusti, 1831.

SIR JAMES MACDONALD, BART. in the Chair.

JAMES MILL, Esq. again called in, and examined.

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3157. ARE the Committee to understand that the estates purchased by government at public sales are to be held as remaining perpetually in the hands of government?—That is the present purpose of the purchases that have been directed to be made; they are to remain in the hands of government, and the revenue to be collected immediately from the ryots.

3158. Has any great extent of land been purchased by the government in that manner?—Not any great extent, because it is only recently that the suggestion has been made to the Bengal government, who at first were somewhat averse to it, for reasons which they stated. Latterly they are more inclined, and the instructions have been more positive; but the most peremptory instructions are of recent date. The purchases of the greatest extent have related to estates held in common, or in joint-tenancy, what they call putteedaree estates. In the case of those estates the arrear is frequently occasioned by the default of a small number of the joint proprietors; and when a sale for arrears takes place the whole of the estate is sold on account of the default of a small number. As soon as this consequence came to be reflected upon, it was regarded as a very great grievance, and measures were taken to prevent it; and in a number of cases in which estates have been so disposed of, they have been re-purchased by government, and re-settled with the original proprietors.

3159. How have those estates which have thus come to the hands of government been managed; have they been well or ill managed?—In respect of those which have been so purchased, our experience is yet too little to enable us to say what has been the result. There are certain cases of an analagous kind which may be mentioned; estates held khaus, that is, estates which hav-
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ing come into the hands of government, or being managed by government on account of the proprietor, are assessed, and the collections made in detail by the officers of government. Estates so managed have generally been described by the Bengal collectors as succeeding ill, as falling behind in the revenue derived from them, without being favourable to the protection of the ryots. It was not satisfactorily accounted for why khaus management, which was only a management in detail with the ryots, constantly succeeded ill in Bengal and well in Madras. Questions were put to elicit information, and the result seems to be, that khaus management in Bengal is only another name for careless management. The collectors paid little attention; the estates were left almost wholly to their principal servants, the tehsildars, who made the settlements with the ryots, and collections from them, under very little superintendence; and thus, partly from the carelessness of these tehsildars, and very often also from their corruption, the revenue declined, while the probability is that the ryots were also pillaged, and abuse perpetrated in both ways.

3160. Do you confine that description of ill management to estates which were intended ultimately to revert to the proprietor?—It applies to estates intended ultimately to revert to the proprietor, but not exclusively.

3161. In those cases in which government, having purchased those estates, may be said to have introduced the ryotwar system, on what principle was the property assessed?—On the principle commonly adopted, that of taking all the evidence that can be obtained of what is the real value of the land; what, from its productive powers, it can afford to pay.

3162. Could that assessment secure the fair rights of the ryots, unless there is a regular survey?—The great difficulty in raising a revenue from the land in India is, the difficulty of ascertaining correctly the value of the land. Approximation is all that can be obtained. The instruction for many years sent from home, and impressed upon the governments of India is, that in no case can more be taken than the rent of the land, without both injustice and permanent injury to the country; not only injury to the individual cultivators, but injury to the government itself. And in all doubtful cases the instruction has been, to take special care to err on the side of lenity rather than on the side of severity; to take less than the rent rather than more.

3163. What proportion of the gross produce do you consider a mere rent?—I think that no proportion of the gross produce can ever be assigned as a standard of rent, because rent depends wholly upon the fertility of the land. In some cases I conceive there is land that may be cultivated, and can afford no rent; there is land that may yield something, but very little beyond what is necessary to repay the expense of cultivation. There is other land that may afford a very large surplus beyond the expense of cultivation. My own conception is, that a good deal of mischief has been incurred in India by supposing that a certain proportion of the produce might with propriety be assigned as a standard of rent or revenue. This was the standard taken by the rude governments which preceded ours. One of its tendencies must have been to prevent

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prevent all but land of a certain degree of fertility from being cultivated at all, and it must have operated as rent most unequally in all other cases.

3164. If this system of the purchase of lands permanently to remain in the hands of the government is to continue, is it not a mode of getting rid of the zemindary system, and of substituting ryotwar generally in those provinces?—If it is persevered in, that would be the ultimate effect of it.

3165. On what principle do you suppose that the Court of Directors gave those orders; was it upon a conviction of the mischiefs of the existing system?—My opinion is, that the Court were merely influenced by the consideration of the ryots, who had been divested of the rights they considered to belong to them; the desire that the ryots of Bengal should be restored to the situation they held formerly, or that now held by the ryots in other parts of India.

3166. Do you think that is quite reconcileable with the declarations of the first government, and with the faith of government to those whom they then constituted proprietors?—I conceive that it is perfectly reconcileable. The original engagement with those proprietors was to give them the benefit of a permanent assessment; but when those individuals who now hold the property have sold it, they are divested of all right and concern in it. The government, who purchases in that case, stands in the place of the zemindar, and holding the land in that capacity, may settle with its tenants in what way it pleases.

3167. Has it not been under the consideration of the Court of Directors whether this plan might not be adopted, namely, for the government, in the case of defaulters, before they put up the estate to public sale, to ascertain in the best mode possible, by survey, the exact rights of the ryots; and having ascertained and defined those rights, then to put up the estate to any bidder, subject to the observance of those rights?—Such a scheme has been under their consideration; but I believe no order has been passed upon it.

3168. Would not that scheme as effectually retain the rights of the ryots, and at the same time preserve the professed objects of the Regulation of 1793?—It might afford protection to the ryots, but the objection that occurs to me upon it is, that we could not take this course without an infringement of the law of the permanent settlement. If the zemindars now hold their land without any restraint respecting the terms they impose upon their under-tenants, the zemindar upon whom government, previous to a sale, should impose the restraint of terms, would be placed under a peculiar disadvantage, in a situation more unfavourable than that of other zemindars, holding under the permanent settlement, who are exempt from restraint.

3169. Does that answer apply to the case of a defaulting zemindar, whose estate is sold in consequence?—I consider that such a limitation imposed upon such a sale must of necessity reduce the value of the estate; nobody will

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3170. Then you mean to say that the government has no means of securing justice for the ryots, except by taking the estate into their own hands?—That is my opinion.

3171. Do you think the two different settlements, the ryotwar and the zemindary settlement, can co-exist well in the same province?—There is no doubt inconvenience in diversity, and there is advantage in uniformity, but I think the disadvantage may be counterbalanced and overbalanced by advantages of another description.

3172. Where the government enter as competitors, does not the knowledge of that circumstance tend to raise the price of the land?—That is undoubtedly one difficulty in carrying this scheme into effect, and I imagine will be found the main difficulty. It will be to be seen how far in practice it will be possible to contend with that difficulty successfully; it is possible that it may to a certain degree prove a bar.

3173. Have any means been suggested to obviate the difficulty?—It is first to be tried how it operates without helps; one expedient which obviously presents itself is that of concealment.

3174. Would that be possible?—There would be difficulty in it undoubtedly, but I think not insuperable. Local expedients, however, must of necessity be left to the ingenuity of those who are upon the spot, and who alone know the circumstances.

3175. Has there been observed a diminution of competitors since the government came into the field?—We have no information to that effect.

3176. Do the ryots pay in kind to the zemindars?—Not in Bengal; not generally in the British territories. In some instances the reluctance of the cultivators to a money payment has prevented the abandonment of payment in kind; but it has been found subject to so much abuse, and to open a door to so much fraud, both upon the ryots and upon the government, that it is discountenanced as far as possible, and for the greater part now does not exist in the British territories.

3177. Can the government interfere directly to prevent it?—It might make a law to prevent it, because it might resolve that the revenue shall only be collected in money, but they have never done so in any case in which it was reported to them to be exceedingly contrary to the will of the cultivators themselves.

3178. Could they, under a zemindary settlement, issue a law by which the zemindars were compelled to receive money instead of payment in kind?—The permanent settlement is a money settlement as far as the zemindars themselves are concerned; government has not interfered with the payment or the mode of payment of the ryots to the zemindars, and the decisions of the courts have been, that under the terms of the permanent settlement they

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have no right to interfere either in respect to the mode or in respect to the degree.

3179. In those provinces is the payment of the ryots to the zemindars in money or in kind?—In money almost universally.

3180. What amount does the ryot generally give to the zemindar?—That we have no knowledge of.

3181. In cases where there is no agreement between them, is it changed annually?—In most cases it is an annual settlement, unless when the zemindars, as they have done in various cases, have sub-let; that is, contracted with certain individuals for the revenue of a certain number of villages, which contractors become a species of farmers under the zemindars, and collect from the cultivators of those villages.

3182. Do you understand that the zemindars enhanced the rates frequently and capriciously upon the ryots?—The understanding is, that they take from them all that they can get; in short, that they exact whatever they please.

3183. What defence has the ryot against such exaction?—According to what is now the common understanding, and apparently the decision of the courts, they have no defence whatever but that of removal; they may decline to pay what is exacted, and quit the land.

3184. Is there any distinction between cultivators who inherit and those who are annual, what are called khooakhaust and pyekhaust?—I understand that in Bengal, under the permanent settlement, that distinction is obliterated, and that the ryots in Bengal are considered as mere tenants at will.

3185. Is not it supposed that where opium is cultivated the hereditary cultivators exist to a certain degree?—Where opium is cultivated the condition of the ryots is precisely the same as elsewhere.

3186. Do you conceive them generally to be pyekhaust?—They are, very likely, the descendants of the khooakhaust ryots, but their right to permanent occupancy, I believe, is now disputed and denied.

3187. Is it in consequence of the default of payment, or oppression on the part of the zemindar, that that change has taken place from hereditary to another occupation?—The impression against the right seems to have been derived originally from the sales. It seems to have been imagined that the auction purchasers acquired the entire property of the soil. When the courts gave this interpretation to the right so acquired, and the idea became established that the ryots had no rights in those cases, the same conclusion appears to me to have gradually diffused itself over the whole.

3188. Has it come to your knowledge that the government of Bengal have directed the opium agents, and their deputies in Behar and Benares, to resist the claims of zemindars to enhance the rates levied by them on lands cultivated with the poppy?—Such directions have been communicated.

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3189. Do you recollect at what time?—It is within a few years, in 1824 I think; the circumstance took place in consequence of an intention to increase the quantity of the poppy grown in Benares, for which purpose it was thought proper to increase the rate of payment to the ryot. It was, however, anticipated, that the ryots would not benefit by this increase, because the zemindar would charge an additional rent, and to obviate this obstruction directions were given to resist the imposition of such additional rent.

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3190. On what principle did the government conceive they had a right to interfere with the demands of the zemindar upon his ryot?—I do not remember that government have stated any particular ground for it. It appears to me that it was a perfectly fair and proper proceeding.

3191. Are the rights now existing between the ryot and the zemindar the same in opium lands as they were in 1793?—That we imperfectly know. The zemindars have gone on dealing with the ryots as they pleased; and one of the unfortunate circumstances of the zemindary settlement has been, that it has shut out the government from a knowledge of the situation of the ryots.

3192. In those opium lands, were not the rights defined more particularly in 1793 in the case of that monopoly produce, than in other cases?—I believe no distinction in that respect was made between the lands that grew the different kinds of crops.

3193. In what mode could the government interpose to protect the ryots from the increased demand of the zemindars on those lands?—They would forbid higher rates to be charged to the ryots for those lands than what had been paid in previous years; for though there is great difficulty, or rather impossibility, in ascertaining what had been paid a considerable number of years back, it might be known what had been paid for those lands for the last year, or the last two or three years.

3194. Suppose the zemindar, in spite of the orders of the Company, levied a higher rate upon the ryot, what was his defence in that case?—The ryot might have recourse to the zillah court, where, if the right of the zemindar to resist was disallowed, the case would be determined; if it were determined that according to the law as it stood the government had no right to interfere, it would then be necessary to make a law. The anticipation of the government in the case now alluded to must have been, that the law as it stood authorized their claim, otherwise they would have begun by passing a Regulation.

3195. In what way would that order affect the proprietary right of the zemindar?—It appears to me that it would not affect his proprietary right in any way whatever; that the sole effect would be to prevent the zemindar from obtaining a share of the monopoly profit, because, if the cultivation of the poppy was free and unrestricted, the value of land on which the poppy

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was grown would be exactly the same as that of any other land of equal fertility under any other crop. When the article was monopolized by government, and its value artificially raised, it could only afford a greater rent than other produce by paying as rent a part of this artificial price, that is, a part of the monopoly profit. That is what the zemindar is not in the slightest degree entitled to by the terms of the settlement. If he were allowed to go on charging an additional rate, it might become impossible for the government to benefit by the monopoly, as his rent might absorb the whole of the monopoly price, and the monopoly would exist for his advantage alone.

3196. Do you suppose the government would have the same right to interfere in any other case as in the case of land producing the poppy?—Not in any case; only in those of a similar description. If they were to make any other species of produce a monopoly, and to raise it to a monopoly price, they would be entitled to interfere to prevent the owner of the land from sharing in the monopoly profit.

3197. You justify the interference of the government in the case on the ground of their having a monopoly of that cultivation?—Yes; it appears to me that from this circumstance, what is properly the rent due to the zemindar is not interfered with, even supposing his claim against the ryot is unlimited. If the rent of the poppy land would be no greater in the case of a free cultivation of the poppy than the rent of any land of equal fertility under any other crop, it follows that when the value of the produce raised upon it is raised merely by the monopoly, any rent beyond what would be obtained from the land under any other crop is merely a share of the profits of the monopoly.

3198. Is it your opinion that the courts would not decide in favour of government if the case were referred to them?—It can be only conjecture on my part what might be their interpretation of the law as it stands, but the government might, in my opinion, without any injustice, make a Regulation to that effect, by which the courts would be bound.

3199. Do you think that in the case of any species of produce of which the government may choose by any law to enhance the value, it has a right, on the ground of such a proceeding of its own, to interfere with the profits which the proprietor may make of his property?—What may be the state of the law in this country in respect to such a question I cannot undertake to say; but I conceive that a law might be made in all cases to that effect without in the least degree affecting the rights of the party against whom it might be supposed to operate, because I conceive that the effect of it would be simply to prevent a participation in the profits of such a monopoly.

3200. What is the actual power that the zemindar possesses over the ryot in the event of his not fulfilling his engagements to him?—He has summary powers of coercion to a considerable extent; for sums of small amount he is allowed to distrain upon personal property; for sums of a higher amount

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amount he is allowed to attach the crops upon the ground, and also to arrest the defaulter.

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3201. At the period of Lord Cornwallis's settlement were any means taken to ascertain or to define the existing rights of the ryots?—No means were taken to define or to ascertain them, and much inconvenience has arisen from the precipitate manner in which that settlement was formed.

3202. Do you imagine that the lapse of time that has since intervened would make it now difficult or impossible to ascertain the exact nature of those rights?—That has been the subject of various queries suggested by the home authorities, and has been a matter of anxious inquiry to the government abroad. It seems to be at last agreed, that there are no means in Bengal of ascertaining with any accuracy what are called the *pergunnah* rates, that is, certain payments which custom had established, and which were looked to, both by the government and by the ryots, as a species of standard; not that the standard was of much advantage to the ryots, for though it was always appealed to, the zemindars and other collectors exercised the privilege of adding cesses (*abwabs*), over and above what was considered the standard; cesses which were arbitrary, and in general went to such an amount as to leave the ryot just enough to carry on his cultivation with.

3203. Has it been definitely admitted by the authorities at home that, under the Regulations of 1793, the government has no power to interfere between the zemindar and the ryot?—It has never been admitted by the authorities at home; and from my present recollection, I should say, there is sufficient evidence that the authorities at home have never acquiesced in the opinion, that by the settlement of 1793 the ryots have no rights.

3204. You spoke of a contrary opinion having been established by the decisions of the courts; will you explain more particularly the way in which those decisions originated?—It is impossible and needless to refer to particular cases. When disputes arose upon the claims of the zemindars, and the ryots thought it necessary to contest them by instituting suits, it seems to have been generally held that the ryot had no remedy against the claim of the zemindar; and when those decisions were confirmed by the *Sudder Adawlut*, they became law.

3205. Was the decision, as confirmed by the *Sudder Adawlut*, founded upon the Regulations of 1793 only?—Such was the Court's interpretation of those Regulations. I may refer to a very important discussion which has recently taken place, and of which the documents will be laid before this Committee, in the selections now preparing at the India House. Mr. Harrington, one of the most instructed and pains-taking of the Company's servants in India, to whom we owe that very valuable book, the *Analysis of the Regulations*, recorded in 1827 a Minute in which he maintained, at much length, that the rights of the ryots were unimpaired by the Regulations of 1793: and

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and the draft of a Regulation for the better protection of the rights of the ryots was then prepared by him, and sent home. This proposition of Mr. Harrington's was referred to the Sudder Adawlut, and minutes upon the subject were furnished by the several judges differing in opinion from Mr. Harrington and the other members of the government. Among those judges of the Sudder Adawlut I may mention Mr. Ross, one of the most valuable of the Company's servants, a man of great zeal, probity, and experience, who declares absolutely, that the ryots in Bengal had no rights, and never had any. These documents must be regarded as of high importance; because so direct a difference of opinion among the best informed and most trustworthy witnesses shows in how much obscurity the subject lies. We can only account for such a difference of testimony by supposing, that in the place in which one of these gentlemen had made his observations he found the ryots possessing rights, and that in the place where the other gentleman had made his he found them possessing none.

3206. Did not Mr. Mackenzie make very elaborate minutes upon the subject?—Several very elaborate and important papers of his have been sent home, but I do not remember that they touch particularly upon this point of the rights of the ryots under the permanent settlement.

3207. Was there not a regulation by which the zemindars were required to give something in the nature of a lease to those ryots?—There was a regulation passed to that effect, but under the permanent settlement that has been very little attended to.

3208. When was it issued?—The date of it I do not recollect.

3209. Do you conceive that the ryots themselves, in those instances in which the pottah regulation has been enforced, consider it as a protection?—The evidence which we have received upon that subject is rather conflicting. In many cases the ryots have had an objection to receiving those pottahs; they considered that it was binding them to a particular payment in a way which they dreaded, as exposing them, in years in which it might be altogether impossible for them to pay, to be turned out of their lands; and the thing was novel, and therefore alarming. In other cases there is evidence that they accepted the pottah joyfully, and considered it a protection.

3210. Can you form any opinion as to the proportion of zemindars now enjoying the estates which were settled with them or their ancestors at the period of the permanent settlement?—That question can only be answered very generally, because it is only incidentally that the subject is mentioned in the Records; but my impression is that a very small proportion of those with whom the permanent settlement was made are now owners of the land, very great alienations being made during the first year of the settlement.

3211. Are the greater proportion of the zemindars resident upon their zemindaries?—I believe a very considerable proportion of them are non-resident; they are rich natives who live about Calcutta.

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3213. Have the zemindars been in any way useful in the administration of justice or police?—In general quite the contrary; it has been found in cases in which the police of their districts was assigned to them that it was a source of perpetual abuse, and in almost all cases it was taken away.

3214. Have the home authorities ever admitted that the absolute property of the soil was conveyed to the zemindars by the permanent settlement?—Not in those words; but I imagine the general interpretation is, that the property in the soil was transferred to those zemindars in nearly as full a sense as it is to the holder of a fee-simple in England.

3215. Has it not been held, in the despatches from the Court of Directors, that what was permanently granted to the zemindars was solely a right to collect the revenues, and receive a certain per-centage upon them?—That I should think would not affect the question of the land being held in full property; because in England land may be held in fee-simple, and so transferred, under the obligation of a perpetual lease. One man may have the fee-simple, but a tenant under him the owner of a perpetual lease. Previous to the Regulations by which the settlement was rendered permanent, the zemindars were properly officers of government in many cases, indeed hereditary officers.

3216. Supposing that the right of interfering in behalf of the ryots were now admitted in point of law, do you apprehend that in point of fact it would be possible to replace them upon any thing like the footing upon which the permanent settlement found them, or that lapse of time has obliterated the evidence upon which any interference on their behalf must be founded?—I understand the question to relate chiefly to assessment upon the ryots, whether it would be possible to revert to the assessment that was made in 1793; I imagine that it would not be possible to ascertain what was paid in 1793 with any accuracy, because the putwarry accounts are unworthy of trust.

3217. Do you apprehend that the permanent settlement was originally fixed at too high a rate?—I believe there was great inequality; in some cases it was found very early that the zemindars, without any apparent misconduct on their part, were unable to pay, but those failures were only partial, and I imagine it was only in a smaller number of cases that it could be considered as excessive at the time of the permanent settlement.

3218. What is the law of descent as to zemindaries?—It is the common law of descent of the party; if the zemindar is a Mahomedan, it is according to Mahomedan law; if he is a Hindoo, it is the Hindoo law.

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difference, that the Mahomedan may will his property, which the Hindoo cannot. Wills are recognized by the Mohamedan law, but they are not recognized by the Hindoo law.

3220. Do the zemindars in general will their property to one son?—I think it rarely happens, and in general there has been much subdivision.

3221. And that subdivision has probably given rise to much litigation?—I am not aware that that particularly has given rise to litigation, but it may have happened without its being known to me.

3222. When a zemindary descends in that way to a number of sons, does each generally take his own share, or do they administer it in common?—The views of the family, of course, determine that point, and there is much diversity.

3223. Does not the course of succession vary in the different provinces?—I believe there is very little difference in the general principle; there are modifications according to the customs in different places.

3224. Do you apprehend that the practice of willing to the eldest son is increasing or decreasing?—I have no evidence to that point.

3225. Since the revenue settlement, has any survey been made of the lands, or any registry taken of the right of the occupants or proprietors?—There has been no survey in Bengal, except partially for particular purposes, nor registration of the different classes of occupants.

3226. Do you think it possible for the Court of Adawlut to define and adjudge the rights of the ryots, of the zemindars, and of government, in lands and villages, without a registry to refer to, and can that registry be formed in any manner so satisfactory as by its being made by competent persons, aided by local information?—I conceive that a survey is one essential ingredient in ascertaining what accurately belongs to the individuals in a particular district, and also the value of the different kinds of the land for regulating the assessment.

3227. Do you not think it is essential for the decision of questions connected with the rights to such lands?—It would be competent, and the duty of the court, if questions arose respecting a particular village where there was no registry, and where there had been no measurement, to take such evidence as the circumstances of the case would afford. It might be necessary for it in that case to order a survey and measurement to be made as far as concerned that particular question. It would take evidence upon the spot with respect to the different rights of individuals, and according as it ascertained them by the evidence that was within its reach, so it would determine; but it would be a particular inquiry for a particular occasion, and in truth that is what is necessary to be done in India generally; because the laws in India are the customs in India. The books afford little or no guidance, rather misguidance. The judge in India has a double function; he has to take evidence with respect to the law to ascertain the custom of the place; and

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and he has to take evidence (all that has to be taken in more fortunate circumstances) as to the matter of fact.

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3228. You stated that it was the opinion of Mr. Harrington that the rights of the ryots were unimpaired by the Regulations?—Yes.

3229. Does it appear to you that those rights had, at the period he gave this opinion, been fully investigated, and that they were minutely understood?—They had not been fully investigated, nor were they minutely understood, for there was not only a diversity, but direct contrariety of opinion between some of the most experienced and intelligent of the Company's servants in Bengal.

3230. You stated that the government had directed their servants to interfere to resist the exaction of increased rents upon lands producing the poppy; have they ever interfered to encourage the cultivation of the poppy?—No otherwise than by offering an enhanced price to the cultivators. The poppy is raised by voluntary cultivation, contracted for every year. There is no forced cultivation; the agents publish the terms which they will give for such an amount of the article, and the cultivators who intend to engage with them send in their tenders for affording such and such quantities; and having contracted, they in general receive an advance of money to enable them to defray the cost of this expensive cultivation.

3231. Must not that operation tend to regulate the rent of the land, according as the terms offered by government are raised or lowered above or below those which would be produced by the cultivation of any other article?—If the zemindars were allowed to raise the rent upon land so cultivated, it would enable them to derive something beyond the rent: to obtain a portion of the monopoly profit. It would have no effect whatever upon the rent of the rest of the land, because the value of the rest of the land would depend upon its value under the cultivation of rice, or the principal article which is raised for the food of man.

3232. Is it the best soil that is usually appropriated to the cultivation of the poppy?—Yes, it requires the finest soil.

3233. Is it considered an exhausting crop?—They make no distinction between exhausting and not exhausting in India.

3234. Is there any fixed principle upon which they offer encouragement to raising the poppy?—A general estimate is made of what it can afford to be raised at; the old prices, to which an addition was recently made, have been found quite sufficient to induce the cultivators to produce the quantity of opium that had till then been thought advisable to have produced; afterwards, when it was found advisable to have a larger quantity produced, the proper method was thought to be to offer an additional price.

3235. Are you not of opinion, that if the cultivation of the poppy, and the manufacture of opium, were left entirely free, it would tend infinitely more to the advantage of the landholder, and the ryot, than by the system now

portation of salt from Madras to Bengal would cause a return trade in rice from Bengal, 2423—Salt is now raised by the monopoly 800 to 1,000 per cent. beyond the expenses of production, 2425—The present method of procuring salt at the mouth of the Ganges is most oppressive to the natives of India, 2422, 2426—Worse than slavery in the West-Indies, 2428—The interchange of rice and salt between Madras and Bengal has greatly diminished, on account of the heavy duty on salt in Bengal, which amounts to prohibition, 2438.

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adopted?—I think not in the least; I think if it were left free, the effect would be entirely the same with respect to both landlords and ryots.

3236. Would not in that case the ryot have the power of demanding such price as he could obtain in the open market for his article?—I think if the cultivation of opium were perfectly free, the price of opium would sink so as just to remunerate the cultivator for producing it, in the same manner as the price remunerates him for cultivating rice or any other produce that is raised in freedom. At present the price of the opium is kept up to an artificial height.

3237. Are you aware of any interference having taken place with reference to the rent upon land producing grain or any other article?—Not any.

3238. Then you consider that they have a right to interfere between the landlord and the ryot in certain cases which suit their own purposes?—Not in certain cases which suit their own purposes, by any means, because it might suit their own purposes to interfere in all cases; but it appears to me that where a particular article is subject to monopoly, and that article is raised to an artificial price, it is competent for the government to prevent the owner of the land upon which that particular produce is cultivated from sharing in the profits of the monopoly.

3239. Are you aware of such a system existing in any part of this country, or in any other parts under the dominion of the British Government?—I do not know any other case in which these particular circumstances occur; I do not know any place in which any portion of the produce of the soil is erected into a monopoly, but I can conceive cases in which it might be. The cultivation of tobacco, for example, is altogether prohibited in England, but it would be possible enough to allow certain portions of it to be raised in particular districts, and to be monopolized by the government; to be raised precisely on the same principle as the opium is raised in Bengal; and it appears to me that it would be no infringement of the rights of the owners of the land to prohibit them by a similar law from sharing in the profits of the monopoly.

3240. Are you aware whether under the Madras government there are regulations to the same effect?—The opium is not grown on the lands under the Madras presidency.

3241. Have the zemindars ever objected to the growth of the poppy upon their estates?—Never.

3242. Then they do not consider it to be detrimental to their estates?—Not in the least.

3243. Is it compulsory?—Not at all; it is by voluntary contract.

3244. Have you formed any opinion as to the proportion of the land of Bengal that has come under public sale, or could you obtain such information?

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Indigo was first imported from India forty years ago; but has now increased to an extent which supersedes all other indigoes, 1072—Lac dye was first discovered by some Indians who were in the interior of the country in India, 1075—Stick lac is the gum with the insect, or egg of the insect, in it, from which lac dye is made, 1076—Lac dye is principally used for dyeing scarlet cloths, 1079—And is now used instead of cochineal, 1080—The principal obstacle to the extension of commercial intercourse with India is the want of returns, and the bad quality, generally, of the products of India, 1084—Free trade, notwithstanding the objections, must on the whole have been profitable, from the great increase which has taken place, 1088.

tion?—I imagine not to any great degree of accuracy; an approximation may be possible.

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3245. Of what class of persons generally are the buyers at those sales?—For a considerable period many of the buyers were the officers of the zillah and provincial courts, who had acquired riches by their practice, and not unfrequently the native servants of the collectors. When that came to the notice of the government and afterwards to the notice of the home authorities, and the practice was inquired into, it was found to have been productive of various abuses, and to open widely a door for their admission, measures were therefore taken to prevent it, and a law was passed which prohibited the officers in the courts of justice, and the servants of the collectors, from being bidders at public sales.

3246. When was that regulation?—It is Regulation VIII of 1819.

3247. Has any case come before the Court of Directors giving any reason to imagine that, directly or indirectly, any of the English collectors have had any concern in the receipts from the estates sold?—I know of no such instance.

3248. Does it ever occur that instead of proceeding to the extremity of a sale, a new arrangement is made with a defaulting zemindar, whose estate may have been originally too highly assessed?—I am not aware of any instance in the case of a sale. The land is not brought to sale, but the assessment is reduced where it is known to be too high. There is another set of cases in which an interposition has been attempted to be made: it sometimes happens when a zemindar falls into arrears, becomes deeply involved in debt, that he anticipates the extremity of a sale, to which government, for various reasons, has been exceedingly averse to proceed, by praying the government to take the management of the estate, allowing so much for the maintenance of the owner, and to keep it in their hands till the debts are paid, when it may be restored again to the zemindar. This has taken place in a variety of instances; and a suggestion has been made from home that upon those occasions government should stipulate beforehand, with the person whose estates they thus undertook to nurse, for the making of settlements with the ryots, and giving them pottahs which shall protect their rights in all times to come, and that they should make this the condition of undertaking the management. The practice I speak of has been nearly confined to Madras.

3249. Do you think it would be possible to make such an arrangement in Bengal?—It would be possible in those cases in which the zemindars thought proper to make some proposition to government. If they preferred a petition to government to undertake the management of their estates, it would be competent for the government to make the same proposition to them, but that rarely happens in Bengal.

3250. Might not such a proposition be made from the government to the zemindar

No license is necessary to reside in Java, but a passport is required on travelling into the interior, 1092—At Calcutta the expense of a license amounts to fifteen guineas, 1100—They are seldom refused; but on application for a person to assist in witness's counting-house a license was refused, on the ground that there were not sufficient reasons specified for his residence in India; subsequently the license was granted, 1102—On some occasions difficulties have occurred in procuring passports for females, even when their husbands are in India, 1113—Licenses, though seven guineas for Europeans, are only £2 each for persons born in India desiring to return, 1114—Persons may be sent home from India, but instances rarely occur, 1120—Provisions: orders are not given in Bengal, whatever are wanted are usually procured at friends' houses, 1130—The cotton country in Bengal is several hundred miles from Calcutta, 1134—The mode of cultivation is generally defective; different seed, and frequent changing, are much wanted, 1137—Twist, principally used in Calcutta, has never been introduced successfully further than two hundred miles, 1139—The poorer orders wearing a commoner manufacture, 1140.

The machinery by which the Indians make sugar is of the lowest description possible; description of construction, and manner of working, 1145—The East-India Company neither carry on their mercantile transactions with advantage to themselves or others, 1146—Because all commodities in which they interfere were driven up to unprofitable rates, and their monopoly stopped all private trade in others, 1147—Particularly the export of silk from India, 1148—They also enjoy the monopoly of opium, and the salt monopoly, 1149—Permission to export raw products of India to China would greatly facilitate the means of making remittances from India to England, 1153—At present there are 3,000,000 or 4,000,000 dollars annually remitted from China to India, 1156—At the same time the Americans import large quantities of silver into China, 1158—The cottons of India are very durable, and their muslins of very soft texture, 1160—The natives of India make indigo upon the European plan; but still very inferior to that made by Europeans, from want of proper attention, 1170.

In 1815 the importation of British goods was 800,000 yards, and in 1830 about 45,000,000 yards, 1173—The 4,000,000 pounds weight of twist have deprived the Indians of an immense labour in spinning, 1174—the sale of British manufactures in India would be greatly increased by the improvements of the exports, such as sugar and cotton, 1177—British manufactures pay a duty of two and a-half per cent. on importation into Calcutta, 1185—The duty paid on all Indian produce here is very high, 1186—Bills issued by the Company bearing interest of five per cent. answer, to them, all the purposes of cash, 1194.

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Gordon, Peter. (Analysis of his Evidence).—Had resided in India since 1810, and visited several parts of the Continent, 374—Opening the trade with India has greatly extended the commerce of the world, 388—At Calcutta free trade has injured the re-export trade, but increased the import and export trade, 390—The shipping interest of Calcutta has suffered by the opening of the trade, 396—Owing to the competition of British shipping, 397—In 1814, freight from Calcutta was as high as £25, and has been known to be as high as fifty guineas; it is now as low as 15s., 399—The effect high freights had on trade generally, particularly the cotton-wool trade, 400—Effect of free trade on Calcutta shipping, 403.

Arms and ammunition are supplied to the Company's ports by application to the arsenals of the Company, 404—Private individuals not being allowed to export arms, 405—The Americans therefore have the trade in their hands on the west coast of Sumatra, at Malacca, and Cochin China, 407—Both Europeans and Natives have been benefited by the free trade, 410—India has received spelter for consump-

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zemindar, upon the zemindar being in a situation to require the indulgence of government?—No doubt it might, and it might be an additional expedient to what has been already mentioned.

3251. You have stated that certain portions of land have been purchased by the government, and thenceforward administered by the government officers, who made agreements with the ryots themselves without the intervention of any middle-man. As you have stated before that there are several modes of ryotwar system, are the Committee to understand that all those estates so purchased have been administered in one uniform system?—They have been administered in detail with the ryots; a settlement has regularly been made with the ryots for one or a certain number of years, and the collection made from them immediately, without any middle-man.

3252. Has there been any permanent maximum established, as in the case of some of Sir Thomas Munro's settlements?—No permanent maximum, and no field assessment, the assessment has been upon the ryot personally.

3253. You mean that the ryot has been called upon to pay a certain amount for his whole holding, without any reference to the proportion of his land which he actually cultivated?—Precisely so; it is an estimated value of the whole.

3254. It is presumed that in none of those estates has any settlement been made with all the ryots of the zemindary, but with each individual ryot?—Yes; except in the case of estates held in joint tenancy, where a purchase has been made by government, in which cases it is made in preference, they being considered cases of the greatest hardship; because the default occurring most commonly on the part of only a few of the leading individuals, who manage for the rest, when the estate is sold on account of this default, the members of the partnership who had not been in arrear are deprived of their property.

3255. Are you speaking of joint tenancy among zemindars, or among the ryots?—Not among zemindars, but among the immediate cultivators, the ryots.

3256. In fixing the amount of the assessment upon those ryots, in those districts, is any reference had to the rate paid by the neighbouring ryots, or is it simply the value of the estate that is looked to?—One of the circumstances taken into account as evidence of what the land can afford to pay is what is actually paid by neighbouring lands; but what is paid by neighbouring lands is only taken into account as part of the evidence by which the real value of the property is ascertained, and not at all in reference to the right of the ryot.

3257. Where a pottah is given, to what number of years does it usually extend?—It is various; sometimes it is from year to year; five years have been common, indefinitely renewed.

3258. Have you occasion to know whether under that system the condi-
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tion, and new imports 22,500,000 sterling in cotton piece goods from England, while formerly she exported the same amount to London, 411—And the consumption of British cotton is increasing in India, 412—Many new commodities have been exported from India since free trade commenced, especially lac dye, paddy, and stick-lac, 413—Banea tin has also become an export, 416—There is no good harbour along the Coromandel Coast, 418—The farmers at Madras are worse off than the coolies at Calcutta, 421—At Ramnad three stout men and five women work from sunrise to sunset for 4d. a day, 423—Method of levying the duty on fish at Ramnad, 431—The peasantry at Madras are much worse off than those at Ceylon, 484—Famines and scarcities are frequent at Madras from drought, 436.

Nature of the commercial intercourse carried on between the Bengal and Madras presidencies, 439—Injurious effects of the monopoly of salt in Bengal, 440—And Madras, 447—System of police used to preserve the salt monopoly at Madras, 448—Which is a considerable expense, from which the East-India Company derive no benefit, 451—But it is kept up to prevent the introduction of Madras salt to Bengal, 452—Shipping at Madras is injured by the salt monopoly, 454—Madras is partly dependant on Bengal for a supply of food, 459—Notwithstanding the high duty, it would pay to export salt from this country, 465—Muscat rock salt can be imported into Calcutta, 466—In case of the monopoly being abolished, a great supply of salt would be sent to India from Bristol and Liverpool, 467—The insecurity of persons and property is a great impediment to the growth of trade in India, 469—Difficulty of intercourse owing to transit duties, 472—Injurious effects of heavy custom-house charges, 477—Pilotage rates are very heavy at Calcutta; but on the Coromandel Coast, where there is no river, there are no pilotage dues, and the anchorage expense is moderate, 483—There is much unnecessary delay in passing the sea customs, 484—Transit duties charged on internal commerce; illegality of some of these charges, 486.

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The territory of Madura depends entirely on being well watered, which is principally accomplished by artificial means, 550—And the tanks for this purpose, which are of ancient construction and under the control of the Government, are in very bad repair, 555—Irrigation might be carried in India, by a proper expenditure of capital and skill, to a much greater extent than it is now carried, 565—It is particularly necessary for rice, and all grain is better for being well watered, 566—The streams which fall from the Ghauts are not properly economized, 567—Many improvements in irrigation might be advantageously adopted in India, which are practised in other countries, 572—Method of collecting the land-tax in the district of Ramnad, which amounts to one-fourth of the dry cultivation and one-half of the lands which command water, 573—The collection is made by instalments, and is attended by means of torture, if necessary, 574—Bad effects of this system on the ryots, 576—The tax

tion of the ryots has appeared happier and more prosperous?—There is little evidence to that effect. 4 Aug. 1831.

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3259. Is there any record or evidence that has come under your observation that enables you to judge, during the thirty-eight years which have elapsed since the introduction of the permanent settlement, of the degree of partition of soil that has taken place by individual inheritors sharing according to the Mahomedan or Hindoo law?—Not any particular evidence; it is only a species of conjecture that can be formed, as far as any evidence exists upon the records. The fact would appear undoubtedly in the collector's accounts, because in proportion as the estates are subdivided, the names of the parties entered as responsible for the revenue will be multiplied.

3260. From the evidence that has come under your observation, have the suits to which you have alluded, and the complaints of the ryots, prevailed most in those countries that have been long settled, or in those which have more recently come under the permanent settlement, such as those higher up the country?—The complaints of the ryots against the increase of the assessment have been entirely silenced by the decisions of the courts, for they have been told that they have no remedy; the complaints against exaction or extortion by subordinate people are frequent, and the collectors have been invested with judicial power for the summary investigation and decision of those suits.

3261. Are you able to make any distinction between countries that have been longer settled, and others that have been more recently settled?—No.

3262. Are the cases numerous in which the Company have become repossessed of the right of the soil in the way you mention?—No, by no means numerous; because the instruction has only been recently conveyed in a peremptory form; and when at first, it was a mere suggestion, the Bengal government made several objections to it.

3263. Have you in your recollection any instance of an increase of revenue accruing to government from this plan?—I do not know that we have yet the accounts of any estate that has been transferred in that way.

3264. Did not many of the zemindaries that were settled in 1793 contain a considerable portion of waste land?—Many of them a great portion of waste land.

3265. Have the zemindars been permitted to cultivate that waste land, without any further assessment?—Without any further assessment.

3266. Has not that been a matter of considerable controversy?—Not any controversy as far as they have been allowed to cultivate, because no interference has ever been made with them. The consequence has been that the value of those estates, where waste land susceptible of cultivation has been cultivated, has greatly increased, which is to a great degree the reason of the very great diversity in what appears to be the value of the estates, the number of years' purchase that one estate sells for beyond another.

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3283. Although it may be right not to use the term proprietor in speaking of those rights in the lands in India, do you not conceive that the situation of the ryot is substantially that of a proprietor of the land, liable to the payment of a tax to government, and to a summary process for the payment of the tax?—There is no doubt that, in one sense of the word, it is a property; but I should think it might be more properly expressed by saying that he has a property in the land, than that he has the property of the land. There is no doubt that he has a property in it, because he has a right of perpetual occupancy, and the right of cultivation, subject to the demands of government.

3284. Taking for granted that the ryot stands in the situation in which you describe of having an indefeasible right to cultivate the land, and being able to part with his right to cultivate the land, and being subject to no other interference with his rights in respect of that land except the payment of a tax to government, how do you distinguish between the substantive character of rights like these and the rights of a proprietor?—This case is distinguished rather by the degree of interest than the solidity of the right: the real beneficial interest of a proprietor of land under an European tenure may be considered to be measured by the rent he can obtain for it; but in the case of the ryot, the person whom you would call the proprietor has none of the rent, nor is entitled to it.

3285. Would it have been allowed under that system, in cases where the ryot was in communication with the government without the intervention of a middle-man, that the ryot should lease his right of cultivation to any one beneath him?—Yes, that is frequently done, and that constitutes the distinction between khoddkhasht and the pyekhasht ryots; such a ryot had undoubtedly the power of employing other ryots who had no right to the land under him on any terms he thought proper.

3286. When he had placed his land in this situation, was not he to all intents and purposes in the situation of the proprietor of the soil, paying a tax to government?—Only that he had a very limited interest.

3287. Did not he receive a rent?—It was very rarely that he received a rent; those people were commonly his servants or labourers, and when he assigned

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assigned a particular portion to them (it was a sort of tenure that existed in Europe formerly), he had in general to advance the capital with which those people cultivated.

3288. The question did not go to the practical operation of the system, but as to the theory of it?—I think it is rather a question about the meaning of a term, whether you would call this holding of the ryot an absolute property in the land; I think, according to the usual meaning of the word in England, where the ownership of rent is in reality the beneficial interest of the owner of the land, you can hardly call the ryot, in the same sense, the owner of the land, seeing he is not the owner of the rent at all; and there is a peculiarity worthy of remark in the cases in which the casual and perpetual occupants hold under the government, that the perpetual occupant pays the larger rent of the two, his lands are more highly assessed.

3289. Does not the question resolve itself into this, that the word proprietor has been the main cause of the dispute upon this subject, but that in fact the situation of the ryot in respect of his land is substantially that of a proprietor of land, paying a tax to government?—I should say that the property of the land was shared between the government and the ryot.

3290. Are the Committee to understand that the right of the ryot is a right of perpetual occupancy, subject to an indefinite demand upon him, and that he has no controul whatever over the extent of the demand that is to be made upon him?—None, but his ability to pay.

3291. Are the Committee to understand that the ryot has the power of transferring his right of perpetual occupancy, without any limitation?—Without limitation, as the general rule.

3292. You stated that, under the former governments, the full rent was usually collected from the ryots; would not a fair rent seem to be a proper discharge of the demand of the government?—No doubt; and that is the only equitable demand, because if you go further than that, you tax the capital and the labour of the cultivators, and it would therefore be a partial tax.

3293. In those countries in Bengal in which the permanent settlement has been carried into effect, has any peculiar facility been given to the collection of the revenue?—There is all the facility of the greater summariness; it is an easy matter to collect the revenue from a few scores of zemindars, and it is very difficult to collect it from thousands of ryots.

3294. In those countries which are under the permanent settlement, is the value of the land increased or decreased?—The only fact from which an answer to that question can be derived is the amount obtained on the sales of land; there can be no doubt that in a great many instances the value of the land, in that sense of the word, has increased; a greater number of years' purchase is fetched by a great many estates; but that, in by far the greater

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Statement of the articles imported to India for the general purposes of trade, and the usual return cargoes, *Gisborne 1018*—First import of cotton-twist took place in 1821; and in 1824, about 120,000lbs. weight were imported; in 1828, about 4,000,000lbs., *Gisborne 1021*—Principal exports from Calcutta, *Bracken 49, Gisborne 1018*—The principal obstacle to the extension of commercial intercourse with India is the want of returns, and the bad quality generally of the products of India, *Gisborne 1084*—In 1815, the importation of British goods into India was 800,000 yards; and in 1830, about 45,000,000 yards, *Gisborne 1173*—British manufactures pay a duty of $2\frac{1}{2}$ per cent. on importation into Calcutta, *Gisborne 1185.*

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For ten years, from 1794, exported from Bengal on an average £464,357. Their imports £390,606. In six years, from 1802-3, the imports into India averaged £1,247,920, and their exports, £1,154,494 per annum. In three years, from 1808-9, their imports were £1,627,612, exports £1,705,814, *Rickards 2748.*

greater number of instances, is owing to the increase of cultivation, by extending it over the waste.

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3295. Has the permanent settlement tended to extend the cultivation?—I do not think the permanent settlement has had any such tendency, because I consider that it has operated injuriously upon the mass of the people.

3296. What has been of late years the number of years' purchase of land?—The difference is so great as will be considered surprising, as it has often been considered by the authorities at home; it is sometimes a few years, five or ten, and in some cases as many as one hundred years' purchase. It is computed upon the assumed zemindar's share. At the formation of the permanent settlement his share was understood to be one-tenth of what was collected from the ryot, the share of the government being nine-tenths, and this one-tenth sometimes fetches a great many years' purchase.

3297. You stated that you thought the old governments collected a full rent; do you consider the rent under the permanent settlement to be nearly a full rent?—I have no doubt that what is collected by the zemindar from the ryots is a full rent; there is reason to apprehend that it is more.

3298. To what do you ascribe the ruin of so many of the principal zemindars since the period of the permanent settlement?—In many cases it is very difficult to ascertain; their own habits of improvidence are extraordinary, that is a well-known fact, and in a vast number of instances it may have arisen from that. There are certain cases of alienation which have required strong measures on the part of government, cases in which the native servants of the collectors, before the operation of the permanent settlement was distinctly understood, contrived to effect fraudulent balances on the part of those zemindars, and obtained the sale of the lands, they themselves becoming the purchasers. That happened in a very considerable number of very remarkable cases in Allahabad, Cawnpore, and Gorrockpore, and gave occasion, after the circumstance was brought fully to the notice of the government, to the very strong interposition that was made by Regulation I, of 1821, when after a number of years a commission was appointed to revise the whole of those settlements, to set aside all those in respect of which fraud could be discovered, and to restore the estates to the original owners.

3299. In your opinion, would not the produce of India be greatly increased by an adjustment of the rights of the ryots; in short, by their being less oppressed?—I have no doubt that it is through the ryots, and by giving a proper protection to their property and to themselves in the exercise of their industry, and through that mainly, that the improvement of India must take place.

3300. Are there any trust-worthy records of the period in which the ryots and the government were in direct communication?—Of the fact there is, over a great part of India; of the details not. In regard to Bengal, as far back as we can trace, at least for the whole period of the Mahomedan government

3. *Canton:*

Value of the foreign export and import trade of Canton, carried on by different nations; trade carried on by the East-India Company and private India ships; also, the tonnage employed. See *First Appendix*.

4. *Ceylon:*

All goods imported into Ceylon are subject to heavy duties; on rice from 50 to 75 per cent. All produce of the Island, on exportation, is also charged with duty, *Stewart* 2461, 2468—Cinnamon, cocoa-nut oil and arrack, are the principal exports from Ceylon, *Stewart* 2463.

5. *Java:*

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1. *Generally:*

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government, it appears to have been under the summary management by the intervention of zemindars.

3301. Do you mean to say that under the Mahomedan governments, in those provinces of Bengal which have come into our possession, there were not those village and other officers which are found to pervade every other part of India?—I have no doubt that there was a village community and a village establishment, and something on the same footing in Bengal, as there was every where else.

3302. Do you conceive that at those periods at which the ryots and the government were in immediate relations to one another, that intercourse was conducted through regularly constituted authorities of that description?—In those cases it must have been conducted immediately, perhaps with the heads of villages, through the agents of government; but it very often happened in those countries, before they came into our possession (in the Mahratta country for example), that they had been rented in very large districts to individuals, and had been exceedingly scourged and desolated. In general it appears to me that the native, the Hindoo governments, collected by villages; that some head man of the village, appointed by the village, was allowed to transact for the rest, and that it was rarely done in a more summary manner.

3303. You have stated that the Court of Directors have sent out orders to purchase the estates which come for sale, and before they grant them again, to defend the rights of the ryots; what was their object in desiring that to be done; the happiness of the people, or the increase of the revenue?—Clearly the happiness of the people, because according to the general statements of the Bengal collectors, those detailed settlements with the ryots would rather produce a decline of the revenue to the government, and still the government pay for the estates.

3304. Is it not probable that the zemindar to whom it was granted, with those rights reserved, would not give so high a rent as he would have given otherwise. I conceive he would not pay the same rent for the estate so restricted as he would without those restrictions.

3305. Have not a great many judicial questions arisen in consequence of the change of property under the permanent settlement?—There have been, no doubt, a variety of suits instituted on the score of suspected fraud.

3306. Has there been great delay in the decision of those suits?—A delay in suits of all kinds has been the general complaint as to the administration of justice.

3307. Supposing that the property of an estate is in dispute, what course does the government take in the mean time for collecting its revenue?—The estate is still in the actual possession of some individual, and whoever is in possession is looked to for the revenue.

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—About £2,400,000 worth of indigo comes to Calcutta, *Crawford* 1893—Which realizes in Europe about £3,600,000, *Crawford* 1894—Beneficial effects resulting to the people of India from the cultivation of indigo being introduced, *Crawford* 1895.

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2. *Plantations* :

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3308. Is the revenue of those provinces collected by a certain number of English collectors, being Company's servants?—Yes. 4 Aug. 1831.

3309. What is generally the extent of a collectorate?—There are thirty-three collectorates for the whole of the lower provinces; those districts are sometimes of a great extent, and sometimes of a less. The general understanding that has lately been come to is that a collectorate should not exceed the amount of twelve lacs of rupees of collection. *J. Mill, Esq.*

3310. Has the collector any European assistants?—Not in all cases; he may have half-castes for writers, and also Europeans, but the officers of the collection, the tehsildars and others, are natives, and most commonly Hindoos.

3311. Is it not the tehsildars who actually receive the revenue?—They receive the revenue and account to the collector for it, except in cases where it happens that any zemindar or other party owing revenue to government pays it at the collector's office.

3312. Are there many instances of defaults of those tehsildars?—Not many, because they are all required to give security.

3313. In what manner is the collector remunerated?—By salary entirely.

3314. Are there not some of the collectorates in which there is an assistant-collector?—There are assistant-collectors in most cases: the system has been adopted at Madras, and has been recommended strongly by the home authorities to Bengal, but not generally adopted by them, of employing principal collectors in a large district, with sub-collectors, sometimes one, and sometimes more than one, under him.

3315. From what situation is a gentleman usually taken when he becomes a collector?—He is of the class of the Company's servants who are denominated writers; they are frequently attached to collectors without any peculiar denomination; they are placed under him by way of training, and he employs them in any way he likes best; in other cases they act with the name of assistants.

3316. Then in fact it seldom happens that a gentleman is appointed collector without having had some experience in revenue matters?—I should say never.

3317. How is the salary of a collector in reference to that of a zillah judge?—The salaries of the collectors were for some time inferior to that of the judges, but they are now regulated upon a scale which is considered to assimilate the two.

3318. Do the young gentlemen that you have denominated as writers, in going out to Bengal, after they have passed the college and the necessary examinations, enter generally the judicial or revenue departments first; is it a regulation that they must enter the revenue department first?—No.

3319. What do you understand to be the shortest period after arriving in India

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India at which a gentleman has some probability of being appointed a collector?—A good deal will depend upon the qualities which the individual shows; if he shows aptitude he would be appointed earlier than one who does not show any such aptitude; but I should say that four or five years pass at least before he can have that trust reposed in him.

3320. You explained, in your former examination, several varieties of the ryotwar settlement; are you acquainted with the settlement of Mr. John Sullivan in Coimbatoor?—Yes; the settlement made by Mr. Sullivan in Coimbatoor proceeded principally upon the plan of Sir Thomas Munro's ryotwar; it was a field ryotwar.

3321. Were there not particulars in which that settlement differed from every other settlement that has been made?—What occurs to my recollection at the moment is this: that he adopted, in a considerable number of cases, what they denominate in that part of the country the putcut plan of ryotwar. This putcut did not supersede the field survey and the field valuation; but after the field survey and the field valuation were made, one sum was assessed upon the ryot for the whole of his holding, and he engaged to pay it for a year. According to the working of Sir Thomas Munro's ryotwar system, a species of settlement is to be made with the ryot annually: every year, before harvest, his crops are surveyed, in order to ascertain whether he will be able to pay the maximum for that year, or whether an abatement must be made, and to what extent. Now this species of valuation in regard to the putcut took place as well as in regard to those cases in which the assessment was made by the field mode, and the reason for assessing it all in one lot was that the ryot might not be in the least degree restricted in the mode of cultivation.

3322. Under that putcut settlement was there, under any circumstances, any remission of the rent?—Wherever remissions were required they were granted in that case as in all others.

3323. But that only under special circumstances?—It was only done in reference to special circumstances.

3324. Did not the ryotwar settlement in Coimbatoor have a fuller experiment, being more continuous in its duration, than any other ryotwar settlement that was made in the Madras presidency?—It was made with great care; but I should not say that it has had more continuity than in Bellaray and Cuddapah, because there has been no interruption since it was originally made in those districts by Sir Thomas Munro.

3325. You are aware that Sir Thomas Munro recommended making an abatement of from 25 to 30 per cent. upon the maximum fixed by the survey and assessment, in order that those who had hereditary rights, or an usufructuary claim on the soil, might have a real and saleable property?—Sir Thomas Munro became convinced that the assessment that he had originally fixed in those two provinces was too high, and he recommended the abatement which has been now mentioned.

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which fall from the Ghauts are wasted, *Gordon* 567—All cultivation in Madras is conducted by irrigation, but there are no works deserving notice, *Gordon* 805—The Board of Revenue has expended enormous sums on irrigation, *Gordon* 806—At Ramnad there is a large tank for the purpose, *Gordon* 808—At Madura there is a fine tank outside the city gate, so substantially built as to need no repair, *Gordon* 811—Very much practised in Java, *Maclaine* 1702—Magnitude of the ancient works for irrigation, *Sinclair* 4233—Unwillingness of meerassadars to assist in irrigation in Tanjore, *Sinclair* 4307—The greatest attention is paid to, in Tanjore, *Sinclair* 4327—Have been considerably extended by private proprietors, *Sullivan* 4648—In Coimbatore is principally conducted at the expense of the ryots, *Sullivan* 4739—Assessment on irrigated lands, as compared with others, *Sullivan* 4742—Advantages to be derived from introducing a boring apparatus to search for water to aid irrigation, *Sullivan* 5050—Many of the reservoirs, tanks, &c. for irrigation in the Deccan, are in a state of great decay; several have been restored, *Chaplin* 5280, 5283—Cultivation might be carried on to a great extent by means of irrigation, *Chaplin* 5284.

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Jarvis, Capt. Establishment for the education of the inhabitants of the Deccan under his management, *Smith* 5459.

3326. Do you know whether Sir Thomas Munro, before he came to England in 1807, settled a part or the whole of the Ceded districts?—It is very likely that he had only settled a part, but I cannot charge my recollection as to the fact.

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3327. Did the putcut settlement include a permanent maximum?—It did include a permanent maximum: the putcut system appeared to me to be recommended very strongly by its opposing no obstruction to change of crops, or implying any peculiar tax upon a peculiar kind of produce, which was one great object of Mr. Sullivan in having recourse to it. A considerable proportion of the land in Coimbatore is what is there called well or garden land, and by well-land they mean not exactly land that is fructified by waters of a well, but land that bears a particular species of crops; and the practice of the district was, that lands bearing particular kinds of crops were more highly assessed than lands bearing other crops. He considered this as being tantamount to a tax not upon the land, but upon those particular kind of crops; and to obviate that particular inconvenience he had recourse to the putcut system, which appeared to me a great improvement. In other places, however, objections have been made to it; and it has been stated that the mode of taxing more highly particular kinds of crops might be avoided, and the inconveniences of the putcut also obviated, because, from the poverty of the ryots in a great many parts of India, any lumping assessment for the particular holding amounts in reality to no rule to go by, because the sickness of any individual of a ryot's family, or the loss of a bullock, may disable him from cultivating in one year more than half of what he had cultivated in another; the recurrence of a bad season affects him in the same manner; and therefore if the ryots are charged for a certain amount of begahs, there is no practical rule; nothing can afford this rule in a tolerable degree but an assessment upon the field, and then they pay for the field that they actually cultivate. Those are objections that have been made to the putcut system by other collectors, when it was recommended as a general measure.

3328. How long has that existed in Coimbatore?—I should say nine or ten years.

3329. Has the revenue been collected pretty closely under that system?—Yes, exceedingly well collected.

3330. Then it may be said to have succeeded in that particular district?—I should think so.

3331. How would they get over the difficulty of taxing the quality of the crop, and the inconvenience of the putcut system?—They proposed that the consideration of the particular kind of crop should be altogether omitted, and nothing considered in assessing the land but its fertility and natural power of producing as applied to ordinary crops.

3332. In what year was it that Mr. Harrington gave an opinion that the rights

Jessore. Ryots frequently have their rents increased on them; case in the district of, *Christian* 3023, 3024.

Jews; are engaged in trade with India, *Bracken* 277—Petitions of Jews, Christians, Hindoos, Parsees, Mahomedans, natives of His Majesty's territories in India, and inhabitants of the Island of Bombay, *p.* 827.

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JUSTICE, ADMINISTRATION OF:

1. *China*:

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rights of the ryots were unimpaired?—I think his minute bears the date of 1827.

3333. What situation did Mr. Harrington fill at that time?—Mr. Harrington at that time was a member of the council in Bengal.

3334. Are you aware that many of the ryots, under the ryotwar settlement at Coimbatore, have acquired property?—I am not aware of that.

3335. After Sir Thomas Munro had gone home in 1807, having settled part of the districts, do you know how long the system of ryotwar continued in the Ceded districts?—I rather think it has continued unintermittingly.

3336. Are you aware that a new system was introduced by government wholly superseding the ryotwar system, within a few years afterwards?—The government attempted to introduce village settlement, and village settlements for three years were introduced to a considerable extent; but according to my present recollection I should say that they did not extend to Bellaray and Cuddapah; however in that I may possibly not be accurate.

3337. Are you aware of a report made by Sir Thomas Munro and Mr. Sullivan, by which it appears, that from the system of collecting the rents in Coimbatore, the ryots have sustained a loss in four years of the sum of four lacs and 55,000 rupees, by being deprived of the rent which was intended to be paid?—That relates, I imagine, to a scene of very gross abuse that took place in Coimbatore previous to the period of Mr. Sullivan being appointed collector, which abuses Sir Thomas Munro and Mr. Sullivan were deputed to go to Coimbatore as commissioners to enquire into; that was previous to the introduction of the ryotwar system.

3338. Are you aware that Mr. Sullivan has further shewn, in his report to the Board of Revenue, that the people of Coimbatore had just caused a complaint against government for their interference in their cultivation and disposal of tobacco, after having permanently fixed the land assessments; and that he observes, to make free markets and free prices, and unrestricted cultivation, the data for assessing lands, and then to shut the markets, regulate the prices, and restrict the cultivation, was surely to trench upon private rights, and to violate the public faith?—That relates to another subject, which will probably come under consideration; making a monopoly of the tobacco grown in Coimbatore, which scheme of monopoly Mr. Sullivan strenuously resisted.

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Martis, 9^o die Augusti, 1831.

JAMES MILL, Esq., again called in, and examined.

3339. WILL you have the goodness to state what you conceive to be the advantages and disadvantages of the respective systems upon which the land revenue is collected, beginning with the zemindary settlement in the Fort William Presidency: what do you conceive to be the conveniences and the inconveniences of that settlement? - The most obvious feature of advantage is the facility of the collection. It is a much more simple thing to obtain the revenue of a large district from a certain moderate number of zemindars, or contributors, than it is to perform the collection in detail by the officers of government themselves; and another advantage undoubtedly is, the greater degree of certainty in the result.

9 Aug. 1831.

J. Mill, Esq.

3340. In what respect do you conceive there is a greater certainty?—You can count more certainly upon the accuracy of payment from those zemindars than from the ryots in detail. The zemindars are generally men either of substance or of credit; and, with no very great number of exceptions, the revenue is obtained from the zemindars; whereas, from the circumstances of the ryots, there is always great fluctuation in the receipts from them from year to year, and often greater remissions are necessary.

3341. Do you think that as far as the collection of the revenue is concerned the zemindary settlement has the advantage over the other settlements?—I should say, in regard to the amount of receipt, a decided disadvantage, because the very principle of the zemindary settlement is a sacrifice of so much of the rent of the land to the zemindar, and so far as that sacrifice is made the revenue of government is diminished, and that I consider to be one leading disadvantage of the zemindary system, that it is an alienation of a portion of the government resources.

3342. But so far as regards the facility and certainty of collection, you think it has the advantage?—In so far as these go there is an obvious and certain advantage.

3343. What effect do you think the zemindary settlement has upon the creation of capital?—I should think the operation of it was by no means favourable to the creation of capital in any respect; if it affects the accumulation of capital in any degree, it must either be the capital in the hands of the zemindars themselves or that in the hands of the under-tenants, and in my view of the matter it has no peculiar tendency to

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Modern payment by ryots to zemindars, *Mill* 3176, 3181 — General exaction of the latter, *Mill* 3182 — Instructions of the Bengal government to resist the claims of the zemindars to enhance the rates of lands cultivated with the poppy, *Mill* 3188 — Impossibility of ascertaining ryot payments previous to 1793, *Mill* 3216 — General want of registration in Bengal, *Mill* 3225 — Rights of ryots have merged in permanent settlement system, *Mill* 3274 — Permanent settlement system has acted injuriously on the people, *Mill* 3295 — Conveniences arising from the zemindary settlement in the Fort William Presidency, *Mill* 3339 — Advantages of, *Mill* 3341, 3342 — The operation of the zemindary system unfavourable to ryots, *Mill* 3364 — Cause of the origin of the decoity, or gang-robbery system, *Mill* 3365, 3366 — Consequences of the ryots' rights not being defined by this system, *Mill* 3373 — Investigation of ryots' rights, *Mill* 3387 — Increase of value which has taken place in lands since the introduction of permanent settlements by zemindaries, *Mill* 3396 — Distinction between ryotwar and zemindary settlement, *Sullivan* 4565, 4567 — Advantages which the ryotwar has over the zemindary settlement, *Sullivan* 4573, 4576—4578 — Ram-
mohan Roy's opinion on the condition of the cultivators both under the zemindary and ryotwar systems. See *First Appendix*.

In the northern sircars the zemindary system prevails. Estates frequently in the hands of government, *Mill* 3458 — Bad management under the holders of the zemindaries, *Mill* 3460 — Effect of the zemindary settlement generally in Madras, *Mill* 3471.

Zillah Judges. The number of zillah judges could not be decreased, as the natives have distrust generally in the decisions of the native judges, *Sinclair* 4408, 4410 — The zillah courts formerly were very insufficient to control and decide appeals from the country courts, *Sinclair* 4414.

See *Courts of Justice*, 3, 4. *Judges. Justice, Administration of.* See also Papers in *Fifth Appendix*.

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*J. C. Melvill,
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statement, showing the annual result up to 1756, when, as the Committee are aware, the wars began to press heavily. This statement shows, that in 1746 there was a clear balance in the Company's favour of £908,823 after repaying every demand. In that year hostilities with the French began in India, and the consequence was, that the annual balance gradually fell off, and previously to the acquisition of the Dewannie it had turned against the Company.

4436. Then supposing they had continued exclusively commercial, as they were in 1746, there would have been no necessity for contracting debt in India?—Clearly not; it is shown to demonstration in the statement to which I have referred, that the profits of the trade were not only ample to pay all the Company's obligations at that time, but were such as to have enabled the Company to enter upon the period when the expenditure for the wars commenced, with an undivided surplus, and consequently the necessity for borrowing in India must have been territorial, and in no degree commercial.

4437. Does it appear that the commercial charges incurred in India, which were afterwards brought forward in the Committee of 1810, are included in that statement or not?—The statement to which I have referred is drawn from a balance sheet, which shows the state of the Company's property after providing for every obligation.

4438. Is there any separation made?—The Committee of 1773, whilst exhibiting this general result of the Company's affairs, did not separate the territorial from the commercial part, but a Committee of 1783 (*vide Journals*, 12th March 1783), made such a separation so far as they deemed necessary, to show what commerce had expended up to 1765, on the territorial account.

4439. How does it appear that those charges were therein included, when the subsequent Committee in 1811 brought forward those charges under a separate head, as not having been included in any of the accounts before furnished?—The account produced by the Committee of 1773 being drawn from a balance sheet, every obligation, paid or unpaid, must have been provided for previously to striking the balance, and I am not aware, that any select committee has ever stated that in such accounts the Company had not made provision for every demand. The Committee in 1783, before showing the amount expended by the Company on account of the wars, deducted the whole charge incurred in maintaining all the settlements up to 1765.

4440. The question refers to the commercial branch, the object being now to ascertain whether there was a profit on the commercial or a profit on the territorial branch; and although the general account may show the particular result, is the distinction made in that period as to the commercial charges so clear and distinct as what was made by the Committee in 1810, when they brought forward that account which appears in the Appendix to
the

the Second and Third Reports?—As I have already stated, there was no separation of accounts on the books of the Company in 1765; but I understood the object of the question lately put to me was to ascertain the state of the Company's affairs, whilst they were exclusively commercial. I answered that inquiry by showing that in 1746, just before the wars may be said to have commenced, their annual account exhibited a balance in favour of £908,823, after providing for every obligation.

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4441. You have stated that in 1746 there would have been no necessity for contracting debt for the commercial department. That having been the case previously to the Company's assuming a political character, and their accounts in that character having since 1814 been separated from their trade accounts, what, upon the principle of separation, has been the result of the commercial branch?—By statements printed in the second Report of the Committee of last year, it will be seen that, after paying the dividend to the proprietors and all commercial charges, there was a surplus profit of £15,000,000 sterling.

4442. Then it would appear that both before the Company had the territory, and since the accounts were separated, the trade was profitable, and consequently that no debt could have been incurred in India for the trade?—Clearly not.

4443. Mr. Langton, apparently following your arrangement, has divided the time from 1765 to 1814 into three stages. Have you anything to remark upon this?—My division was 1765 to 1780; 1780 to 1793, and 1793 to 1814. Mr. Langton has not altogether followed this arrangement, even as respects the first period, as on reference to page * it will be seen that his statement is from 1765-66 to 1778-79 as regards some of the presidencies, and from 1766-67 to 1779-80, and 1764-65 to 1777-78 as regards others. With respect to the other two stages, he has taken 1781 to 1792, and thus omitted two years, one of which however is included in his last term, which is 1792 to 1809. These omissions and differences must of course affect the comparison which he has made with my statements, even without reference to difference of principle between his accounts and mine. I am however quite ready, in spite of these discrepancies, to proceed to show what reliance is to be placed on Mr. Langton's statements, whether considered by themselves or in comparison with mine.

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4444. To what documents did you refer in preparing your statement for the first period, from 1765 to 1780?—To official documents laid before Parliament in the year 1783. I observe that Mr. Langton, in answer to Question 2786, when asked if there were no Parliamentary documents to which I might have had recourse, replied that there were accounts prepared by the Company's accountant-general, and laid before the Committees of Secrecy in the years 1773 and 1782. Now I wish to tell the Committee that the documents to which I referred were Parliamentary documents; that they were prepared by the Company's accountant-general; and what is more, that the results that they

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they contain were examined and sanctioned by a Committee of the House of Commons in a Report recorded on the Journals of the 12th of March 1783, from which, with the permission of the Committee, I will now quote the following passage, "It also appeared that the Company have received and realized in England, from the territories and revenues in India, no more than the sum of £3,622,969, from which deducting the sum of £2,169,398 paid to Government, the sum remaining for the Company amounted to no more than the sum of £1,453,570 which was appropriated in the reduction of the Company's bond debt; and the said sum of £1,453,570 being deducted from the sum of £5,069,684 leaves the Company in disburse upon account of the wars, by which the territories were acquired, to the amount of £3,616,113 besides interest." This sum of £3,616,000 is that which, it will be observed, I stated last year to be the amount (Question 5671, Second Report, 1830); and if the Committee will be pleased to refer to the Act of 23 Geo. III, c. 36, passed in consequence of the Report from which I have extracted the passage just quoted, they will see that Parliament adopted and acted upon the Committee's statements, alleging as a reason for affording temporary relief to the Company, that both political and commercial embarrassments had been caused by means of the expenses of the wars and hostilities in India, and the homeward-bound ships not having duly arrived; and in a subsequent enactment of the same year, (23 Geo. III, c. 83, s. 1,) the embarrassments of the Company were attributed exclusively "to the wars and hostilities in India and in Europe." Nor can it be said that the Committee or Parliament came to these decisions without the amplest information. On reference to the Journals of the 5th of February 1767, it will be seen that a series of accounts was laid upon the table, showing in full detail the enormous expenditure on account of the wars previously to 1765. Seeing, then, that the statement which I made has been authorized by official documents, by a Committee of the House of Commons, and by Parliament itself, I leave this Committee to decide whether most reliance is to be placed upon that result, exhibited too at a time (I now refer to 1783) when the Company's accounts were subjected to the most rigid, I might almost say suspicious scrutiny by some of the most clear-sighted statesmen of the day, including the late Mr. Fox; or upon accounts furnished after the lapse of half a century, by an unofficial and irresponsible individual, and prepared from documents which were all before Parliament when the result which I have stated was declared.

4445. What is the difference between the result of your statement from 1768 to 1780, and that of Mr Langton, as respects the first period?—My statement, that in 1780, £3,616,000 remained due to the Commerce besides interest, for sums expended in the wars, was founded upon the fact of that expenditure having in 1765 amounted to £5,069,684, as stated in the Report already quoted from the Journals (12th March 1783). The question between Mr. Langton and me respects the amount yielded towards the reimbursement of this sum from 1765 to 1780. I say that, according to the accounts admitted by a Committee of the House of Commons, the amount was

£1,453,684

£1,453,684; Mr. Langton says that it was £6,115,979 The difference between us is therefore £4,662,295. 30 Aug. 1831

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4146. Can you give any explanation of the causes of that difference?— In the first place Mr. Langton has totally omitted the *home charges*, which amounted to £706,514. Now this is a remarkable omission, because the Committee of Secrecy, to whose reports and documents Mr. Langton thinks I might have had recourse, state in their Third Report, 9th February 1773, p. 72. "Several articles of expense which ought to be charged to the account of the territorial acquisitions are involved in the expenses incident to the commerce of the Company, and to the general management of their affairs at home." The Committee then enumerate several such items. Now, supposing Mr. Langton to have overlooked this passage, yet the very accounts to which he refers, and which he produced, page 252*, as copies of those from which he supposed my statement to have been taken, show, upon the face of them, that an expense had been incurred "for raising and transporting troops for the defence of the territories, with other charges not relating to commerce, paid here." The effect of this omission of Mr. Langton is, that he saddles the trade with such things as these: "£30,000 to Sir J. Cornish and Colonel Eyre Coote, for naval and military stores taken at Pondicherry, to be by them distributed; £31,974 to the Board of Ordnance for stores delivered in India; £10,000 to each of the three supervisors," and many others with which I will not trouble the Committee, but which are enumerated by the Committee of Secrecy in 1773. Then Mr. Langton has omitted the *payments to government* of £2,169,398, upon the ground (*vide* Q. 2880) "that it would be unjust to claim as a debt from the territory the amount paid to Government for permission to appropriate the surplus territorial revenue." To this opinion of Mr. Langton it might be sufficient for me merely to oppose the Report of the Committee of 1783 already referred to, who, as a matter of course, deducted the payments to Government from the sums remitted to the Company; but I would remind the Committee that this arrangement of participation, as it was called, arose out of a claim on the part of the public to the territory, which it was fondly hoped would prove an inexhaustible mine of wealth; that claim was compromised for a sum of £400,000 per annum; but that this was to come out of the revenue is perfectly clear from the Act 7 Geo. III, c. 57, which ratified the agreement, and which provided, that if the Company should be dispossessed by any foreign power of the territory, or any part, the £400,000 should be reduced in such proportion as the net income of the territory lost should bear to the net income of all the territory: and when the golden dreams of a rich harvest from the new acquisitions were dissipated, and Parliament had to suspend the obligation imposed upon the Company, they, in the Act 13 Geo. III, c. 64, s. 13, treated the arrangement as one of "participation in the profits arising (not from trade but) "from the territorial acquisitions and revenues lately obtained in the East Indies;" and the Select Committee of 1783, in their Ninth Report,

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thus expressed themselves regarding the same arrangement: "Government also thought they could not be too early in their claims for a share of what they considered themselves as entitled to in every foreign acquisition made by the power of this kingdom, through whatever hand or by whatever means it was made." It therefore seems to me to be quite preposterous, at this time of day, to consider that which Parliament declared should come out of the territorial revenue to be a charge upon the Company's trade.

The third mistake that Mr. Langton has made, is, that he has charged the trade with the whole amount of *losses by batta or exchange*, which must principally have accrued to the territory in the collection of its revenue, owing to the state of the coinage at that time. I am aware that Mr. Langton has also credited the commerce with gains in batta and on European goods; but that the larger portion of that was commercial will be apparent to the Committee if they will turn to the Account (page 252*) which shows a profit upon exports of £1,140,424; with which sum at the least, I conceive, commerce should have been credited, instead of with that of £5,275, the difference between Mr. Langton's debits and credits under this head.

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4447. Do you conceive that the explanations you have now given account sufficiently for the discrepancy between your result and that of Mr. Langton?—I do; I have little doubt that if it were practicable accurately to correct the several items in Mr. Langton's account which I have enumerated, and to adjust the difference of period, the result would be the same as mine, and what Parliament has admitted, namely that in 1780 the sum of £3,616,000, besides interest, remained due to the Company on account of the wars.

4448. Was not the Company's commerce relieved in 1765 from a heavy charge which it had previously incurred for maintaining forts in India?—Previously to 1765, the ordinary expense of the Indian settlements, beyond the revenues they produced, was defrayed by the commerce; the average of that expense appears by the accounts before the Committee to have been comprised in the sum of £121,229 per annum. Since 1765, the commerce has been charged only with expenses strictly commercial. The territory has been charged with the political expenses. On the one hand, undoubtedly, the commerce was relieved, but, on the other hand, the territory has paid nothing to the commerce for the use of the sums previously expended in the acquisition of the territory, and commerce was only enabled to lend and continue on loan to the territory those sums, by disposing, in 1765, of a large part, and subsequently mortgaging to the Bank the remainder, of that portion of their commercial property denominated the East India Annuities, whereby the Company, as a commercial body, sustained a positive loss of income amounting to £121,773 per annum, besides the continued charge of interest on the Home Bond Debt, which might have been otherwise paid off out of their profits. I consider, therefore, that the territory derived more advantage than the commerce from the alteration which took place in 1765, and

and that the commerce has since borne every charge necessary for the carrying on of trade.

4449. From what document does that loss of £121,778 appear?—It may be deduced from accounts which have from time to time been laid before Parliament; indeed the sale of the annuities is adverted to in the Fourth Report, page 432; but the fact can be clearly shewn in any shape in which the Committee may be pleased to call for the information.

4450. Has any computation been made of how the account would stand, supposing the trade to be charged with the £121,229 per annum, on account of the settlements in India, and charging the territory with interest from year to year on its unliquidated debt?—In consequence of Mr. Langton's observation (Q. 2889) that a huge sum of many millions would have been saved to the territory if the accounts had been correctly stated, I have caused a computation to be made of how the account would stand, supposing on the one hand a charge of interest to have been made from the first at the rate of five per cent. per annum in the transactions between territory and trade; and supposing, on the other hand, the trade to be charged with the full amount of £121,229 per annum as the expence of maintaining the settlements abroad; this Account is continued until 1814, and shows a balance then due to the commerce of more than eighty millions.

[The Witness delivered in the Account, which was read, and is as follows; viz.]

STATEMENT of the Amount which the outlay furnished from the Commercial Funds of the East-India Company, on account of the Indian Territory, with Interest charged thereon at 5 per cent. per Annum, would have reached in the four several periods from 1751 to 1766, from 1766 to 1780, from 1780 to 1793, and from 1793 to 1814, after allowing for the Amount of all Returns made by the Territory to Commerce, and calculating the Commerce as chargeable, through those several periods, with the full Expenditure of £121,229 sustained by the Company in their purely Commercial character, previously to the state of circumstances which led to the acquisition of the Territory, beyond the Charge subsequently borne by the Commerce for Establishments expressly Commercial.

| | | £. | | | £. |
|---------|---|--------------|---|--------------------|------------|
| 1751-52 | Imports deficient .. | 396,753. | Amount of Annual Charge of £121,229 (with accruing Interest). | | |
| | 1 Year's Interest } at 5 per cent. } | 19,837.65 | | | |
| 1752-53 | .. .. . | 444,026. | | | |
| | | 860,616.65 | 1st year | .. .. | 121,229. |
| | Interest .. | 43,030.83 | | Interest .. | 6,061.45 |
| 1753-54 | .. .. . | 818,973. | 2d | .. .. | 121,229. |
| | | 1,722,620.48 | | | 248,519.45 |
| | Interest .. | 86,131.02 | | Interest .. | 12,425.97 |
| 1754-55 | | 761,314. | 3d | | 121,229. |
| | | | | | |
| | Carried forward .. | 2,570,065.50 | | Carried forward .. | 382,174.42 |

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J. C. Melvill
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*J. C. Melvill,
Esq*

| | £. | | £. |
|------------------------------|----------------|--------------------|----------------|
| Brought forward .. | 2,570,065 ·50 | Brought forward .. | 382,174 ·42 |
| Interest .. | 128,503 ·27 | Interest .. | 19,108 ·72 |
| 1755-56 | 568,968 · | 4th | 121,229 · |
| | 3,267,536 ·77 | | 522,512 ·14 |
| Interest .. | 163,376 ·84 | 5th | 26,125 ·60 |
| 1756-57 | 250,398 · | | 121,229 · |
| | 3,681,311 ·61 | | 669,866 ·74 |
| Interest .. | 184,065 ·58 | 6th | 33,493 ·33 |
| 1757-58 | 437,273 · | | 121,229 · |
| | 4,302,650 ·19 | | 824,589 ·07 |
| Interest .. | 215,132 ·51 | 7th | 41,229 ·45 |
| 1758-59 | 1,075,194 · | | 121,229 · |
| | 5,592,976 ·70 | | 987,047 ·52 |
| Interest .. | 279,648 ·83 | 8th | 49,352 ·37 |
| 1759-60 | 858,618 · | | 121,229 · |
| | 6,731,243 ·53 | | 1,157,628 ·89 |
| Interest .. | 336,562 ·17 | 9th | 57,881 ·44 |
| 1760-61 | 171,619 · | | 121,229 · |
| | 7,239,424 ·70 | | 1,336,739 ·33 |
| Interest .. | 361,971 ·23 | 10th | 66,836 ·96 |
| 1761-62 | 271,926 · | | 121,229 · |
| | 7,873,321 ·93 | | 1,524,805 ·29 |
| Interest .. | 393,666 ·09 | 11th | 76,240 ·26 |
| 1762-63 | 432,166 · | | 121,229 · |
| | 8,699,154 ·02 | | 1,722,274 ·55 |
| Interest .. | 434,957 ·70 | 12th | 86,113 ·72 |
| 1763-64 | 191,808 · | | 121,229 · |
| | 9,325,919 ·72 | | 1,929,617 ·27 |
| Interest .. | 466,295 ·98 | 13th | 96,480 ·86 |
| | 9,792,215 ·70 | | 121,229 · |
| 1764-65 Imports exceed .. | 1,465 · | | 2,147,327 ·13 |
| | 9,790,750 ·70 | 14th | 107,366 ·35 |
| Interest .. | 489,537 ·53 | | 121,229 · |
| 1765-66 Imports deficient .. | 210,553 · | | 2,375,922 ·48 |
| | 10,490,841 ·23 | 15th | 118,796 ·12 |
| Deduct, | | | 121,229 · |
| As per separate calculation, | | 15 Years .. | £2,615,947 ·60 |
| amount of annual charge of | | | |
| £121,229 per annum, with | 2,615,947 ·60 | | |
| accruing Interest, supposed | | | |
| to be borne by Commerce for | | | |
| the 15 years | | | |
| Net | £7,874,893 ·63 | | |

30 Aug. 1881.

*J. C. Melvill,
Esq.*

| | £. | |
|------------------------------|----------------|----------------|
| Brought forward .. | 7,874,893 ·63 | |
| Interest .. | 393,744 ·68 | |
| 1766-67 Imports deficient .. | 251,226 · | |
| | 8,519,864 ·31 | |
| Interest .. | 425,993 ·21 | |
| | 8,945,857 ·52 | |
| 1767-68 Imports exceed .. | 148,706 · | |
| | 8,797,151 ·52 | |
| Interest .. | 439,857 ·57 | |
| 1768-69 | £. | 9,237,009 ·09 |
| Paid Government, 400,000 } | | |
| Imports exceed, 470,772 } | 70,772 · | |
| | 9,166,237 ·09 | |
| Interest .. | 458,311 ·85 | |
| 1769-70 | £. | 9,624,548 ·94 |
| Paid Government, 400,000 } | | |
| Imports exceed, 771,426 } | 371,426 · | |
| | 9,253,122 ·94 | |
| Interest .. | 462,656 ·14 | |
| 1770-71 | £. | |
| Paid Government, 400,000 } | | |
| Imports exceed, 18,912 } | 381,088 · | |
| | 10,096,867 ·08 | |
| Interest .. | 504,843 ·35 | |
| 1771-72 | £. | |
| Paid Government, 400,000 } | | |
| Imports deficient, 810,585 } | 1,210,585 · | |
| | 11,812,295 ·43 | |
| Interest .. | 590,614 ·77 | |
| 1772-73 | £. | 12,402,910 ·20 |
| Imports exceed, 371,991 } | | |
| Government .. 208,000 } | 171,991 · | |
| | 12,230,919 ·20 | |
| Interest .. | 611,545 ·96 | |
| 1773-74 | £. | |
| Imports deficient, 20,881 } | | |
| Government .. 253,779 } | 274,660 · | |
| | 13,117,125 ·16 | |
| Interest .. | 655,856 ·25 | |
| 1774-75 | £. | 13,772,981 ·41 |
| Imports exceed, 590,335 } | | |
| Government .. 115,619 } | 474,716 · | |
| Carried forward .. | 13,298,265 ·41 | |

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*J. C. Melvill,
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| | | £. |
|--|--|---------------|
| Brought forward .. | | 13,298,265.41 |
| Interest .. | | 664,913.27 |
| | | <hr/> |
| 1775-76 Imports exceed .. | | 13,963,178.68 |
| | | 428,061. |
| | | <hr/> |
| Interest .. | | 13,535,117.68 |
| | | 676,755.88 |
| | | <hr/> |
| 1776-77 Ditto | | 14,211,873.56 |
| | | 331,893. |
| | | <hr/> |
| Interest .. | | 13,879,980.56 |
| | | 693,999.02 |
| | | <hr/> |
| 1777-78 Ditto | | 14,573,979.58 |
| | | 581,735. |
| | | <hr/> |
| Interest .. | | 13,992,244.58 |
| | | 699,612.22 |
| | | <hr/> |
| 1778-79 Ditto | | 14,691,856.80 |
| | | 639,108. |
| | | <hr/> |
| Interest .. | | 14,052,748.80 |
| | | 702,637.44 |
| | | <hr/> |
| 1779-80 Ditto | | 14,755,386.24 |
| | | 352,722. |
| | | <hr/> |
| | | 14,402,664.24 |
| Less, | | |
| Annual charge of £121,229 } for 14 years, with interest } | | 2,375,922.48 |
| | | <hr/> |
| Interest .. | | 12,026,741.76 |
| | | 601,337.08 |
| | | <hr/> |
| 1780-81 Imports exceed .. | | 12,628,078.84 |
| | | 112,368. |
| | | <hr/> |
| Interest .. | | 12,515,710.84 |
| | | 625,785.54 |
| 1781-82 Imports deficient .. | | 1,579,599. |
| | | <hr/> |
| Interest .. | | 14,721,095.38 |
| | | 736,054.76 |
| 1782-83 Ditto | | 1,545,699. |
| | | <hr/> |
| Interest .. | | 17,002,849.14 |
| | | 850,142.45 |
| | | <hr/> |
| 1783-84 Imports exceed .. | | 17,852,991.59 |
| | | 77,149. |
| | | <hr/> |
| Carried forward .. | | 17,775,842.59 |

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*J. C. Melvill,
Esq.*

| | £. |
|---|----------------|
| Brought forward .. | 17,775,842 ·59 |
| Interest .. | 888,792 ·12 |
| 1784-85 Imports deficient .. | 452,397 · |
| | <hr/> |
| Interest .. | 19,117,031 ·71 |
| | 955,851 ·58 |
| | <hr/> |
| 1785-86 Imports exceed .. | 20,072,883 ·29 |
| | 101,630 · |
| | <hr/> |
| Interest .. | 19,971,253 ·29 |
| 1786-87 Imports deficient .. | 998,562 ·66 |
| | 773,368 · |
| | <hr/> |
| Interest .. | 21,743,183 ·95 |
| 1787-88 Ditto .. | 1,087,159 ·19 |
| | 149,284 · |
| | <hr/> |
| Interest .. | 22,979,627 ·14 |
| 1788-89 Ditto .. | 1,148,981 ·35 |
| | 568,819 · |
| | <hr/> |
| Interest .. | 24,697,427 ·49 |
| 1789-90 Ditto .. | 1,234,871 ·37 |
| | 271,037 · |
| | <hr/> |
| Interest .. | 26,203,335 ·86 |
| 1790-91 Ditto .. | 1,310,166 ·79 |
| | 639,681 · |
| | <hr/> |
| Interest .. | 28,153,183 ·65 |
| 1791-92 Ditto .. | 1,407,659 ·18 |
| | 584,251 · |
| | <hr/> |
| Interest .. | 30,145,093 ·83 |
| 1792-93 Ditto .. | 1,507,254 ·69 |
| | 37,571 · |
| | <hr/> |
| Add, | 31,689,919 ·52 |
| Decrease of commercial property from 1779-80 to 1792-93, with interest, as per Contra | 695,506 ·93 |
| | <hr/> |
| Deduct, | 32,385,426 ·45 |
| Annual charge of £121,229 for 13 years, with interest .. | 2,147,327 ·13 |
| | <hr/> |
| Interest .. | 30,238,099 ·32 |
| | 1,511,904 ·96 |
| | <hr/> |
| 1793-94 Imports exceed .. | 31,750,004 ·28 |
| | 127,538 · |
| | <hr/> |
| Interest .. | 31,622,466 ·28 |
| | 1,581,123 ·31 |
| | <hr/> |
| Carried forward .. | 33,203,589 ·59 |

Decrease of Commercial Property, 1780 to 1793 .. } £518,998

Interest calculated for half the period on the total sum, say from 1786-87.

(Assuming the decrease to have been uniform in the period of the calculation, as the actual periods of such decrease cannot readily be arrived at.)

| | |
|-------------|--------------|
| 1786-87 .. | 518,998 · |
| Interest .. | 25,949 ·90 |
| | <hr/> |
| 1787-88 .. | 544,947 ·90 |
| Interest .. | 27,247 ·39 |
| | <hr/> |
| 1788-89 .. | 572,195 ·29 |
| Interest .. | 28,609 ·76 |
| | <hr/> |
| 1789-90 .. | 600,805 ·05 |
| Interest .. | 30,040 ·25 |
| | <hr/> |
| 1790-91 .. | 630,845 ·30 |
| Interest .. | 31,542 ·26 |
| | <hr/> |
| 1791-92 .. | 662,387 ·56 |
| Interest .. | 33,119 ·37 |
| | <hr/> |
| 1792-93 .. | £695,506 ·93 |

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| | £. |
|------------------------------|----------------|
| Brought forward .. | 33,203,589 ·59 |
| 1794-95 Imports exceed .. | 133,418 · |
| | 33,070,171 ·59 |
| Interest .. | 1,653,508 ·57 |
| | 34,723,680 ·16 |
| 1795-96 Ditto | 329,142 · |
| | 34,394,538 ·16 |
| Interest .. | 1,719,726 ·90 |
| 1796-97 Imports deficient .. | 236,978 · |
| | 36,351,243 ·06 |
| Interest .. | 1,817,562 ·15 |
| | 38,168,805 ·21 |
| 1797-98 Imports exceed .. | 1,713,121 · |
| | 36,455,684 ·21 |
| Interest .. | 1,822,784 ·21 |
| 1798-99 Imports deficient .. | 54,341 · |
| | 38,332,809 ·42 |
| Interest .. | 1,916,640 ·47 |
| 1799-1800 Ditto | 384,014 · |
| | 40,633,463 ·89 |
| Interest .. | 2,031,673 ·19 |
| | 42,665,137 ·08 |
| 1800-1801 Imports exceed .. | 325,136 · |
| | 42,340,001 ·08 |
| Interest .. | 2,117,000 ·05 |
| 1801-2 Imports deficient .. | 1,078,827 · |
| | 45,535,828 ·13 |
| Interest .. | 2,276,791 ·40 |
| 1802-3 Ditto | 143,928 · |
| | 47,956,547 ·53 |
| Interest .. | 2,397,827 ·37 |
| | 50,354,374 ·90 |
| 1803-4 Imports exceed .. | 1,228 · |
| | 50,353,146 ·90 |
| Interest .. | 2,517,657 ·34 |
| 1804-5 Imports deficient .. | 36,654 · |
| | 52,907,458 ·24 |
| Interest .. | 2,645,372 ·91 |
| 1805-6 Ditto | 1,444,170 · |
| | 56,997,001 ·15 |
| Carried forward .. | 56,997,001 ·15 |

£.
Increase of Commercial Pro- }
perty, 1793-94 to 1813-14 } £1,890,860

(Allowing as a Credit Interest thereon for half the period, as the actual periods of Increase cannot readily be arrived at.)

| | £. |
|--------------------------|---------------|
| 1803-4 | 1,890,860 · |
| Interest .. | 94,543 · |
| 1804-5 | 1,985,403 · |
| Interest .. | 99,270 ·15 |
| 1805-6 | 2,084,673 ·15 |
| Interest .. | 104,233 ·65 |
| 1806-7 (Carried forward) | 2,188,906 ·80 |

SELECT COMMITTEE OF THE HOUSE OF COMMONS. 657

| | £. |
|---|------------------|
| Brought forward .. | 56,997,001.15 |
| Interest .. | 2,849,850.05 |
| 1806-7 Imports deficient .. | 242,320. |
| | 60,089,171.20 |
| Interest .. | 3,004,458.56 |
| 1807-8 Ditto .. | 1,665,662. |
| | 64,759,291.76 |
| Interest .. | 3,237,964.58 |
| 1808-9 Ditto .. | 1,726,837. |
| | 69,724,093.34 |
| Interest .. | 3,486,204.66 |
| 1809-10 Ditto .. | 3,725,859. |
| | 76,936,148.00 |
| Interest .. | 3,846,807.40 |
| 1810-11 Ditto .. | 1,022,305. |
| | 81,805,260.40 |
| Interest .. | 4,090,262.02 |
| 1811-12 Ditto .. | 835,441. |
| | 86,730,964.42 |
| Interest .. | 4,336,548.22 |
| | 91,067,512.64 |
| 1812-13 Imports exceed .. | 4,227,271. |
| | 86,840,241.64 |
| Interest .. | 4,342,012.08 |
| | 91,182,253.72 |
| 1813-14 Ditto .. | 2,250,236. |
| | £. 88,932,017.72 |
| Less, | |
| Increase of Commercial Property, with Interest, 1793-4 to 1813-14 .. | £3,080,011.65 |
| Charge of, £121,229 for 21 years | 4,330,209.03 |
| | 7,410,220.68 |
| Aggregate Amount of the Outlay from Commercial Funds on account of the Territory with accruing Interest to 1st May 1814 | 81,521,797.04 |
| The accruing Interest on this sum calculated to 1st May 1831, would carry the Total Amount to | £186,849,452.03 |

East-India House, }
29th August 1831.

(Errors excepted.)

| | £. |
|--|---------------|
| Brought forward .. | 2,188,906.80 |
| Interest .. | 109,445.34 |
| 1807-8 .. | 2,298,352.14 |
| Interest .. | 114,917.60 |
| 1808-9 .. | 2,413,269.74 |
| Interest .. | 120,663.48 |
| 1809-10 .. | 2,533,933.22 |
| Interest .. | 126,696.66 |
| 1810-11 .. | 2,660,629.88 |
| Interest .. | 133,031.49 |
| 1811-12 .. | 2,793,661.37 |
| Interest .. | 139,683.06 |
| 1812-13 .. | 2,933,344.43 |
| Interest .. | 146,667.22 |
| 1813-14 .. | £3,080,011.65 |
| | |
| Charge of £121,229 per annum for 21 years. | |
| Amount for 15 years brought forward } | 2,615,947.60 |
| Interest .. | 130,797.38 |
| | 121,229. |
| 16 years .. | 2,867,973.98 |
| Interest .. | 143,398.69 |
| | 121,229. |
| 17 years .. | 3,132,601.67 |
| Interest .. | 156,630.08 |
| | 121,229. |
| 18 years .. | 3,410,460.75 |
| Interest .. | 170,523.03 |
| | 121,229. |
| 19 years .. | 3,702,212.78 |
| Interest .. | 185,110.63 |
| | 121,229. |
| 20 years .. | 4,008,552.41 |
| Interest .. | 200,427.62 |
| | 121,229. |
| 21 years .. | £4,330,209.03 |

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4451. Are the Committee to conclude, from what you have stated, that you do not concur in Mr. Langton's opinion that the commerce should be charged with the interest upon a debt of £561,387 said to have existed in India in 1765?—I do not concur in that opinion. No doubt there was some debt existing in India in 1765, but the war having caused it, it was clearly of a territorial character. But, independently of this, Mr. Langton, whilst he throws the debt upon the trade, gives no credit for the territorial assets at that time, and which were much more in amount than the debt. Surely, if the commerce be saddled with the debt, because it existed in 1765, the commerce must have credit for the assets which then remained.

4452. Of what did these assets consist?—Of cash and bills, and stores, and various territorial assets.

4453. Are not the assets, the cash, bills and stores, included in the annual balance-sheet of the accounts of India?—They are included in the Indian accounts, but Mr. Langton makes no allowance for them in speaking of the debt in 1765.

4454. Have you examined the account to see what was the amount of assets at that time to be set against the debt?—I have cursorily examined the books, and satisfied myself that the assets greatly exceeded the debt.

4455. Have you referred to those accounts from which Mr. Langton purported to have taken his statements; and do those accounts contain any such statements of assets to which you now allude?—I am not aware that there are; but the least consideration might have satisfied Mr. Langton that there must have been assets. The government of India could not be carried on without available means.

4456. Are you aware that in any of the papers laid before Parliament to which Mr. Langton has access, he could have discovered the amount of those assets which you think might fairly be set against the balance of the debt?—I am not aware that there is any paper before Parliament from which he could have deduced the precise amount of the assets, although the fact of their existence is evident from the investigations of the Committee of 1772; besides which, as it was clear from the investigations of the Committee of 1811, that there were assets of that description to be accounted for in a subsequent period, I think the fair inference to an accountant would have been, that there was a deficiency to be supplied as respects the assets in 1765.

4457. As to the amount, had he any ground for ascertaining whether it was half a million or two millions?—I am not aware that he had, but he might have suspended his conclusion, that the debt in 1765 was commercial, until he had ascertained the fact.

4458. With respect to the second period, from 1780 to 1793, Mr. Langton, whilst admitting the deficiency of information, draws an inference in favour of the territorial finances of that period from the fact that the territorial

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torial revenue was productive to the commerce in the years preceding 1780, and that the Select Committee, in their Second Report, had alluded to the productiveness of that revenue from 1792-93 to 1802-3. Have you any remark to make upon that part of Mr Langton's evidence?—I have. Mr. Langton's inference seems to be this: he says previously to 1780 the Indian finances were prosperous, and that after 1793 the Committee of the House of Commons show that they were also prosperous; therefore he infers that there could not have been any great deficiency in the intermediate period. Now the Committee will remember that in the year 1780 the war with Hyder broke out, which explains the cause of the deterioration in the finances compared with the antecedent period. The Committee are also aware that the war with Tippoo concluded in 1792, and this accounts for the subsequent improvement in the finances; but that improvement was not to the extent supposed by Mr. Langton, who relies on the statements of the Committee, that from 1792-93 to 1802-3 the revenues of India were "more than sufficient to pay every expense of administration and government, and the interest of the debts, by a sum of £3,734,445." Now the Report from which Mr. Langton quotes this is expressly confined to the finances of the local administration in India, and is therefore exclusive of the home territorial charges, which, if the Committee will refer to Appendix 46 of the Third Report, they will see must have amounted for the period in question to more than £3,000,000, exclusive of the charge incurred in England for King's troops serving in India, amounting to more than £1,500,000, which was adjusted in account with the King's Government. The Committee will therefore see, that although in a few of the years immediately succeeding the peace of 1792, there may have been comparative financial prosperity, there is no foundation for the statement that the revenues of India, during the whole period from 1792-93 to 1802-3, were in a flourishing condition.

4459. Will you state in what account now before Parliament those items of home charges have been incorporated with the account to which Mr. Langton referred, so as to show in that account generally the deficiency which you now mention?—In Appendix 51 to the Fourth Report.

4460. Is there any account made up in which the home charges are added to the charges in India, and a general balance drawn?—Yes. The Committee of the House of Commons incorporated the home charges in the account to which I have referred in my last answer.

4461. In the statement given by Mr. Langton of the ordinary and extraordinary receipts of the Indian treasuries, those expenses are included, are they not?—Yes; Mr. Langton includes them in his statement of the finances for the last period, but he makes no allowance for them in the inference which he draws regarding the comparative productiveness of the revenue.

4462. Do you suppose that the Committee in that Report did not take into account the territorial expenses incurred and to be paid in England?—

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Clearly not in their Second Report, because the £3,734,445 is deduced from the Indian view only.

4463. Mr. Langton also refers to the period in question as one of extraordinary prosperity, and one generally of peace, from which he draws an inference opposed to your account that the commerce had assisted the territory in that period. What have you to say to that?—Upon all that, I must take the liberty of saying that Mr. Langton is totally mistaken. Need I remind this Committee that, in the period from 1780 to 1784, the Company were engaged in most expensive wars. If Mr. Langton had read the Report of the Committee of Secrecy in 1782, he would have seen how the Company's finances were harassed at the commencement of this time. "And your Committee find" (say they in their Sixth Report), "that when the calamities of war had spread themselves still wider, and with greater ruin, over the Company's possessions, it became expedient to propose the taking up money at interest, to supply the increasing necessities of government. The effects of the extensive scene of warfare were at this time most severely felt, and in addition to the necessity of borrowing money at interest, by which the sum of rupees 64,44,661 had been raised, the alarming expedient of making a large reduction, or possibly a total suspension of the Company's investment for the ensuing year, seem to be inevitable." And even so late as 1811, the Select Committee in their Third Report (page 370) say, "The effects of the war which ended in 1783 were particularly prejudicial to the financial system of India. The revenues had been absorbed, the pay and allowances of both the civil and military branches of the service were greatly in arrear, the credit of the Company was extremely depressed, and added to all, the whole system had fallen into such irregularity and confusion, that the real state of affairs could not be accurately ascertained till the conclusion of the year 1785-86. But it must be unnecessary for me to multiply proofs as to the expensiveness of the period from 1780 to 1784. From 1784 to 1789 there was the continued apprehension of war; Tippoo had been repelled, but he had not been altogether destroyed, and if Mr. Langton had referred to Mr. Dundas's parliamentary speeches upon the Indian finances, he might have seen how mistaken he was in supposing that even this period was one of financial prosperity. Mr. Dundas said in 1789, "The Committee will recollect that the beginning of the year 1788 was the time when the accounts were received in India of the expected rupture with France, when, in consequence of the orders from England, Sir Archibald Campbell prepared, and was actually in readiness on a moment's warning to take the field with an army sufficient to act with effect, both against our native and European enemies. Every department of the Indian government had been so deranged in consequence of the war, that it was impossible immediately to get at the bottom of their affairs; daily calls of heavy arrears and unliquidated demands disturbed every system which could be formed for the regulation either of commerce or finance." In fact the military establishments, King's and Company's, were at that period augmented, thereby occasioning

occasioning a large increase to the financial burdens of India. With respect to the remainder of the period, *viz* from 1789 to 1792, Mr. Langton refers to the war with Tippoo, which then prevailed; but he thinks that the financial pressure consequent thereupon could not have been great, since, at the conclusion of the war, Tippoo bound himself to pay a large sum as a part of the expenses. The Committee will see that Mr. Langton's last year in this stage, is 1791-92; the treaty with Tippoo was not concluded until February 1792, and the Parliamentary accounts show that a large portion of the money from Tippoo, and the whole of the revenues from his new cessions, came into account in the subsequent period, and to that extent affected the comparison quite the other way from that supposed by Mr. Langton. On the whole, I am astonished to find that any man can describe the period as one "little disturbed by untoward events." We had war with Hyder, war with the Mahrattas; the war with the French and Dutch upon Indian ground; then a few years of peace, far from undisturbed, affairs calling for continued preparation for war, and finally war with Tippoo. Instead of being surprised, as Mr. Langton expresses himself to be in reference to history, that the finances of India should have proved deficient to the amount I have stated, the Committee must, I think, see that it is altogether incredible that they could have been in the state shown by Mr. Langton in his accounts.

4464. As Mr. Langton reasons as to the expense of one period from a want of documents, would it not have been by far the simplest method to have drawn up the actual account of receipts and expenditure during those years, as a better means of enabling this Committee to judge, than speeches by Mr. Dundas or any other man in the House of Commons, or any where else, and could not that now be done?—I did not consider myself called upon to prepare financial statements in consequence of the accounts of Mr. Langton, unless the Committee had been pleased to order them; but as Mr. Langton has supported his views of Indian finance by reasoning from the history of the times, I have thought it necessary, in answer to the question put to me, to show that that reasoning is unfounded.

4465. Are there any documents before Parliament which would enable this Committee to form a correct estimate with reference to the real state of the finances of India at that period?—I do not think there are. The account which has been lately produced shows the transactions between the territory and the trade for the whole period.

4466. Will the Return to which you have now referred, delivered in on the 25th of August, supply the deficiency in the accounts during the period alluded to?—It will depend upon the judgment of the Committee how far the deficiency is sufficiently supplied. The account in question is a complete statement of the transactions between the territory and the trade in the three periods, including, of course, that from 1780 to 1793.

4467. It is stated to be an estimate; are the Committee to understand that

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that it is an actual account of the payments made, and not an estimate?—An account deduced from actual payments; it is called “an estimate,” because in my evidence I so characterized it, and the same term has been used in the order for its production.

4468. What is the difference between your result and that of Mr. Langton for the period in question?—Mr. Langton, so far as respects the revenues and charges of India, omits two years, as I have explained. In his eleven years he shows a surplus receipt in India of £1,898,188. In my thirteen years I shew that trade aided the territory in the sum of £6,829,557. The difference between us, therefore, is £8,727,745.

4469. Can you give any explanation of the cause of the difference?—The *home charges* are short-stated by Mr. Langton, who takes them upon estimates founded on the amount incurred for them in 1793-4, which was an unusually small year of expenditure. Mr. Langton takes £171,392 a year as the average of the home charges, or for the eleven years £1,885,312. The real amount included in my result, and particularized in the estimate lately laid before the Committee, is £5,373,302. Here is a difference of £3,484,990. To give an example with respect to these home charges, the passage of military, and supplies to them on the voyage, which are cash disbursements, Mr. Langton takes at £27,462 annually, because he finds that to have been the expenditure in 1793-4. The expenditure was actually at the rate of £68,419 per annum.

Mr. Langton makes no allowance for the *increase of territorial assets* in this period: he says, territory has received so much, and territory has expended so much, and therefore commerce must have had the remainder, apparently forgetting, (though it is singular that he should forget it, because in his last period he allows for a similar adjustment) that part of what the territory had received remained available in India: such was the fact. The increase of cash, good bills, and other assets, in 1793, as compared with 1780, was £2,161,329.

Then Mr. Langton makes no allowance whatever for *sums written off* and *adjustments*, although by an account ordered by the House of Commons to be printed on the 4th February 1793, it appears that a sum of £776,807 applicable to this second period, was written off, and on reference to a series of stock per computation accounts for the same period, it will be seen, that a considerable amount of debt from the Nabob remained for future adjustment.

But further, Mr. Langton says the *increase of debt* was £5,747,350; and if the Committee will be pleased to refer to his statement, they will see that he has given the increase of debt between 1780 and 1792, and the Indian accounts only from 1781 to 1792. According to the accounts before Parliament and explained by Mr. Dundas, the debt of India amounted in 1793, to £6,322,929, and in 1780, according to Mr. Langton's statement, to £1,790,626. The increase, therefore, was £4,532,303, being £1,215,047 less than Mr. Langton has stated. I am aware that this arises from the difference of period, debt having been discharged in 1792-3. But then Mr. Langton has left out the result of the Indian finances in 1780-1, in which there was a serious deficit and

and a large amount of debt incurred. He makes commerce answerable for the debt, but leaves it uncredited with the deficit.

Finally, Mr. Langton, if he had referred to the accounts printed in 1787, would have found it stated upon many of them that, owing to the embarrassed circumstances in which the affairs of India then were, there were *omissions in the charges*. For instance, in an account of the revenues of Madras, from 1782-3 to 1784-5, there is this note: "The above may not be considered as the whole of the military charges, as the accounts could not be made up complete for want of the books: the peishcush for the circars is not included." My conviction is, that these several causes are sufficient to account for all the differences between Mr. Langton's statement and mine, supposing his figures to be in other respects correct.

4470. Do those items which you have mentioned include all the accounts written off, or can you state the aggregate amount of accounts written off in this period to account for the difference?—I am not aware that any other sums were ordered to be written off in the period in question than those to which I have referred.

4471. You say that no credit has been given for the assets in India; do you mean money laid out in fortification, or what?—Cash, good bills, and other available assets. Dead stock is not included. As the affairs of the Indian government grew in extent, an increase of cash balance became necessary; where one million was a sufficient resource in the early period of the Company in India, three millions became necessary as their territories were extended.

4472. Can you state what was the increase of assets between the commencement and the termination of this period to which you have alluded?—It was £2,161,329.

4473. Did the increase of the assets appear upon the annual accounts?—There were no regular annual accounts laid before Parliament till 1789, when the Indian budgets commenced; I do not apprehend that there were statements from which Mr. Langton could have deduced this precise sum.

4474. Does that increase arise entirely from those particular items you have mentioned?—Entirely.

4475. You have made no computation of the dead stock?—None.

4476. You stated that the sum advanced from commerce to territory for the period in question was £6,800,000; is it not the fact that in the year 1783 the Company were in considerable commercial difficulties?—Whatever commercial difficulties they may have been in were produced, as Parliament declared to have been the case, by reason of the wars.

4477. Were not the investments in India provided for about that period by means of loans?—I am not prepared to say that loans have never been contracted in India for the purpose of supplying investments, but the produce of all such investments being required to defray the territorial payments in

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in England, and having been so applied, any money which the territory might have borrowed to purchase the investment was nothing more than a debt contracted for a territorial purpose.

4478. Was it not the fact that for three years the investments were provided through the medium of loans?—I am not aware of that fact, but if the years referred to are 1780 to 1783, the wars which then prevailed account for the inability of India to provide for the home territorial payments in any other mode than by borrowing or drawing upon England.

4479. Can you state what was the annual amount of the Company's commercial capital about that period?—I am not prepared with that information; it can be furnished if the Committee desire it. The capital was increased during this second period (1780 to 1793) and again in 1793, and a large portion of that subscribed in 1793 was stated by Mr. Dundas to have been applied in the liquidation of Indian debt.

4480. Must not the India trade have been an exceedingly beneficial one in the period alluded to, being one that enabled a sum of upwards of £6,800,000 to be applied from commerce to some other purposes?—I have no doubt there were profits from the Company's trade, but there was an increase of capital during that period, and an issue of bonds.

4481. Did the Company's trade at that time pay customs to the territory?—No; the Company obtained, by grant from the Mogul, a remission of all customs and other duties, and it was not till the Act of 1813 that those duties were imposed upon the Company's trade.

4482. Were the profits arising from salt and opium credited to the trade?—They were all credited to the territory, but the charge of the salt and opium board, until 1814, was borne by the trade, having merged in the charge of the Board of Trade.

4483. From what period have those profits been credited to the territory?—They have always been so credited.

4484. Supposing the territory had been credited with the duties and customs in that period, are you prepared to state what would have been the difference?—I think that the average of duties and customs in India upon the Company's trade since 1814 has been about £47,000 a year.

4485. In the Ninth Report, p. 57, it is stated that the net revenues were diminished by the mere accumulation of interest accruing on account of investments; how can you reconcile that with there being a surplus from commerce?—The surplus from commerce, as has been repeatedly observed, had long been applied in aid of the territory; the territory was, in consequence, largely indebted to the trade, and therefore what it borrowed upon the occasion referred to was, so far as commerce was concerned, merely to discharge a debt.

4486. It appears that, in 1780, £700,000 was borrowed to purchase investments in India. By another Report it appears that £900,000 was borrowed

borrowed to purchase investments in 1781, and that £800,000 was borrowed to purchase investments in 1782. Do you consider that those sums were borrowed merely to make payments in England on account of the territory?—To the best of my recollection the necessity for borrowing in India at the period referred to, arose from the wars in which we were then engaged; and, indeed, I have to-day quoted from the Secret Committee of 1782 to show that the pressure on the finances was such as to induce an intention of stopping the investment.

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4487. Did the payments on account of the territory amount to those sums?—That will appear by the estimate lately laid before this Committee. But even supposing the amount in those particular years not to have equalled the amount returned by India, yet there was a large arrear due to commerce, owing to short returns from territory in antecedent years.

4488. Do you consider that, upon reference to the general reasoning of the Select Committee in 1782, you are warranted in considering that they attribute the origin of the debt to the territory, and not to the trade?—I will not venture to construe the views of that Committee, nor is it necessary to do so, as I have already shown that Parliament, with the Report upon their table, pronounced the debt to be territorial. If I remember right, the Ninth Report was applicable to a particular period, and showed the delusive and dangerous nature of the expectations of a rich harvest to the public and the Company from the Dewannee.

4489. In the Ninth Report it is stated, “When an account is taken of the intercourse (for it is not commerce), which is carried on between Bengal and England, the pernicious effects of the system of investment from revenue will appear in the strongest point of view: in that view the whole exported produce of the country (so far as the Company is concerned) is not exchanged in the course of barter, but is taken away without any return or payment whatsoever. In a commercial, light therefore, England becomes annually bankrupt to Bengal to the amount nearly of its dealing, or rather the country has suffered what is tantamount to an annual plunder of its manufactures and its produce, to the value of £1,200,000.” What conclusion do you come to from that extract, if it is not that the commerce had been injurious instead of beneficial?—I have never heard the fact denied, that immediately after 1765 the demand for remittances from India was excessive; but it is also the fact, that the produce was applied to pay to the public £400,000 a year, and the remainder to reimburse, so far as it would go, the debt previously owing to the trade.

4490. Had not these Committees of Secrecy been investigating the accounts for a period before they came to that conclusion?—They had; but I think their views regarding the investment are limited to a few years.

4491. Does it not appear that the statement refers to a period, and that consequently they had the accounts before them for a period?—They had accounts before them for a series of years.

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4492. If there was a large expenditure in this country at this early period, was there any other way of getting money from India to meet that large expenditure but by sending it home in the shape of goods?—Clearly not.

4493. What observations have you to make upon the third and last period comprised in Mr. Langton's statement, viz. from 1792-3 to 1809?—I crave the Committee's attention to the fact, that Mr. Langton here makes an alteration in principle, by introducing, for the first time, a charge of interest. He shows that, without interest, the territory was indebted to the commerce, from 1792 to 1809, the sum of £1,638,195, but by introducing compound interest at the Indian rate, he makes the commerce indebted to the territory in 1809, £3,537,355. Mr. Langton's reason for this alteration is, that the proprietors were by the act of 1793 excluded from all participation, except in a remote contingent case, in either surplus territorial revenue or profits. Now if the Committee will refer to the arrangement which existed before 1793 (21 Geo. III, c. 65, and 24 Geo. III, c. 34), and compare it with the arrangement made in 1793, they will see that the alteration in principle was this: the surplus, instead of being divided between the public and the Company in the proportion of three quarters to the former and one quarter to the latter, was to be appropriated, first, in providing a crore of rupees annually to commerce, out of which the public were to get £500,000 a year; secondly, to the discharge of the Indian debt; and finally to the public and the Company, in the proportion of 5-6ths to the public and 1-6th to the Company, the 5-6ths to form a guarantee-fund for the proprietors of Indian stock. Admitting that, in consequence of the obligation to appropriate the surplus in the discharge of the debt, commerce should pay interest in the event of that discharge of debt being prevented by advances to it, yet it is obvious that under the Act the *first* appropriation was the crore of rupees to commerce. That this appropriation was not made is clear from the Fourth Report of the Select Committee in 1812, who say (p. 449), "The supply of a million annually from the surplus revenue in India must have been assumed as the basis of the expectation then held out to the public of receiving £500,000 a year. As the deficiency, which has in fact existed from the passing of the Act, is to be ascribed to the wars in India and Europe, no further payment has been made to the public under the direction of the Act." Now as India was bound by law to yield the crore of rupees to commerce, out of which the government participation was to come before surplus was applied to discharge debt, it is clear that India not having been able to fulfil the contract, cannot have been in the position contemplated by Mr. Langton. The Committee will understand that I by no means object to the charge of interest, which, on the contrary, seems to me to be perfectly fair and reasonable between the two departments; but I submit it should be charged for the whole period. If the charge be limited to the term from 1793 to 1814, then India must be debited with the annual deficiency in respect of the crore, more especially as in the payment of that crore the proprietors had a great interest, because upon this mainly depended the

the formation of the guarantee-fund. I would further state, that the principle upon which Mr. Langton has fixed the sums chargeable to commerce is quite inadmissible; whatever he cannot account for, he throws upon the trade, and he makes interest accrue upon it. Now whilst I would by no means deny that the Company, in its territorial capacity, should account for all its receipts, I must contend that the trade can only be held responsible for the monies actually issued to it, and that the statement between the two branches should be one of actual and not of hypothetical and suppositious transactions.

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4494. Referring to Mr. Langton's figured statements applicable to the period 1792-3 to 1808-9, do you see any objection to them, without reference to the charge for interest?—Yes, Mr. Langton has made certain omissions even in this period. If the Committee will refer to column 6, page 262* of Mr. Langton's statement, they will see that he has stated the floating debt of 1792-3, £2,012,786, and in 1809, £3,722,610. The difference, £1,709,824, he charges to the trade, or what is the same thing, he holds the trade responsible for it. If the Committee will refer to Appendix 2 to the Third Report of 1811, they will see that these sums include arrears of allowances, the amount of which, in 1809, exceeded that in 1792-3 by £764,527.

4495. What do you mean by arrears of allowances?—I mean sums due to the civil and military servants of the Company, for past services, but not received by them; and as arrears of allowances are not charged till paid, Mr. Langton has under this head made commerce accountable for the said sum of £764,527 too much; Mr. Langton has also omitted £500,000 paid to government for its participation in the revenues. His third omission is £520,799, being the amount paid in bills of exchange beyond that charged in the accounts, owing to the rate at which the bills were drawn being in excess of the rate at which the accounts are stated. Mr. Langton has further omitted £250,081, being the sum applied to St. Helena by bills, in excess of remittances of that kind from St. Helena (*vide* Appendix 6 to Third Report, and Appendix 38 to Fourth Report).

4496. You have stated that there were certain allowances of arrears included in the sixth column; do the same items of arrears of allowances appear in 1809, and in the intermediate years, that you state appears in the years 1792-3?—There is not, I believe, any statement of them beyond that contained in Appendix 2 to the Third Report.

4497. Is there any account before the Committee, or before the House, of the adjustment between those two periods that appear in Appendix 2 to the Third Report?—I am not aware that there is.

4498. Are the Committee then to understand that you are satisfied that the statements of Mr. Langton are not to be relied upon?—That is my distinct opinion. I should be very sorry to say, with respect to Mr. Langton's statements, what I am surprised to see he has presumed to insinuate

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with respect to the Company's statements, "that either ignorance or bad faith presided at their preparation" (Q. 2928): but I think I have said enough to-day to satisfy this Committee that Mr. Langton's statements are defective in principle; that he is totally mistaken in his historical facts and inferences, and that in his figured details he has made those omissions which completely destroy all his results.

4499. Is it not the fact that, with all the documents which the India House could supply, the statements which have been at different periods laid before the Committee, purporting to be to the same effect, have considerably differed?—Whatever differences may appear in the statements laid before this Committee, they are principally to be ascribed to variations in the form of accounts called for, and the Committee are aware that the calls are made by honourable Members according to the views which they may severally wish to have elicited. For example, last year there were laid before the Committee not less than four statements of freight: all freight paid; the freight of goods sold; the freight of goods imported into England; and the freight of goods exported from India and China. These accounts all necessarily differed one from another, and yet were all correct. I am at the same time perfectly aware that mistakes will occur in our accounts, as indeed in all accounts. When we discover them, our endeavour is to adjust the error; and I can further assure the Committee, that our object in obeying their calls for papers is to meet the views which we suppose to have prevailed when their orders were issued.

4500. Have not you yourself admitted that the statements laid before this Committee, from the India Board, differed from those which you afterwards produced for the same period, in many items?—I have; the differences were explained and adjusted for the information of the Committee.

4501. In allusion to the accuracy of the accounts from the India House, will you refer to the Appendix of the Second Report of 1810, where the commercial charges are stated, between the years 1793 and 1809, to be £8,160,710, and in Appendix 12 to the Third Report the same account is stated to be £2,916,176, making a difference of £244,422, having the same head and purporting to be the same account?—I submit, that if the fact be so, it merely shows that the accounts had been examined and adjusted.

4502. Are not all the accounts referred to by both parties, of the most intricate and complicated nature?—The accounts of the East India Company, previously to 1814, were necessarily complicated, as they involved territory and trade, and receipt and expenditure, both branches in India and in England. But I think that the accounts since 1814 are much clearer, and are fully comprehensible to any gentleman who will take the pains to understand them.

4503. Has a balance ever been struck between territory and commerce in those accounts?—The accounts between territory and trade were separated only in 1814.

4504. Was

4504. Was the balance struck at that time between territory and commerce?—It was not in 1814. But I have to-day shown that a balance was struck in 1783.

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4505. Do you consider that the difficulties that occurred in 1814 prevented the adjustment of the account between the territory and commerce?—I am not aware that there were any difficulties deemed insurmountable.

4506. Were not declarations made in the House of Commons by Lord Castlereagh and by Lord Buckinghamshire that it was totally impossible to make an adjustment of this account?—Whatever may have been the difficulty apprehended, I think it has been greatly lessened by the plan adopted since 1814.

4507. Have there not been various Committees appointed at various intervals for the investigation of the affairs of the East India Company?—That fact is notorious.

4508. Have not some of these Committees endeavoured to come to some such adjustment as you before alluded to, and have they not given it up in despair?—No; I have this day shown that a Committee in 1783 did distinctly decide what sum up to 1780 was due to commerce.

4509. Since that period?—The reports of the Select Committee of 1810 and 1811 speak for themselves.

4510. In the accounts which were rendered on the part of the Company from 1793 to 1814, has not the expense of the Board of Commissioners for the affairs of India been included?—It has.

4511. How do you reconcile this charge with the enactment of 1793, which provided that the expense of the Board of Commissioners should be deemed and taken to be a commercial charge?—In 1793 the term commercial was applied as descriptive of all receipts and payments in England. Mr. Dundas, in his speech upon the Indian finance in 1796, whilst speaking of the increase in charges of merchandize, said “the sums paid to Mr. Warren Hastings, and the pay to officers at home, have already increased this estimate.” The object of the enactment, therefore, I conceive merely to have been to secure the payment in England. There was at that time no separation of accounts, but as soon as Parliament prescribed the separation they declared that the expense should be political; and it seems to me to be quite absurd that the expense of a Board with power to control every thing but the trade, should be charged to the trade.

4512. Do you include all the expences of Bencoolen?—In the statements up to 1809, all the expences of trade at Bencoolen were defrayed out of supplies made to it from India, and from Europe.

4513. Did they not then include the commercial, as well as the civil and military expenses of Bencoolen?—Yes; the head of supplies to Bencoolen must have included the sums disbursed then for the trade, but the territory has been credited with the whole cost and commercial charges of all consignments.

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consignments from thence ; and thus all charges from Bencoolen have been recredited in the home accounts.

4514. Was not Bencoolen declared to be exclusively a commercial colony?—I am not aware of any such declaration, nor could I ever concur in the opinion that Bencoolen could be considered, after 1765, to be altogether commercial. I find that in 1783 it was stated by a committee of proprietors, and recorded in Parliament, “that Bencoolen is, and has long been, a losing establishment ;” and if the Committee will refer to page 337 of the Second Report, they will see it stated in a despatch to Bengal of the 31st of August 1801, that but for circumstances of “a political nature,” that settlement would have been abandoned ; and they will also see, by the Act of the 42d Geo. III, c. 39, reducing Fort Marlborough to a residency, that the arrangements for that reduction were made subject to the control of the India Board. Indeed, if Bencoolen is to be considered an appendage to the Company’s trade, Singapore and the Dutch settlements, in the very heart of the Indian territory, or their equivalent, must be considered to belong to the trade, since they were received in exchange for Bencoolen.

4515. Do not you know that Bencoolen was held solely as a commercial settlement for upwards of a century before ever we acquired the territories in India?—The Company held Bencoolen as they held Calcutta, Madras, and Bombay ; and up to 1765 the commerce paid all the charges.

4516. What took place in 1765 to change the character from commercial to territorial?—The Company’s character was altogether changed from that of merchants merely to that of a sovereign body, and in this latter character they might retain the settlement from political considerations, though at a heavy cost, but merely as merchants they could not retain it, after ascertaining that it involved a certain loss.

4517. Is there anything on record to show that from 1765 up to 1800 Bencoolen was viewed as a political, and not as a commercial situation?—The only statements I have been able to find upon the subject in print, are in the year 1783, and in the year 1801 ; to both of which I have already referred.

4518. As St. Helena, before the acquisition of the Dewannee, was considered a commercial colony, why should that be transferred to the territory in India immediately after the acquisition of the Dewannee?—St. Helena was placed in the same predicament as all the other settlements. It does not appear to me that the commerce ought to be charged with any thing more in respect of that island than a tonnage duty. I look upon St. Helena to be, with respect to India, what Malta or Gibraltar is with respect to Great Britain.

4519. Before the acquisition of the Dewannee was it so?—Before the acquisition of the Dewannee all the settlements were charged to the trade.

4520. Mr. Langton has referred to a discrepancy between your statement regarding the rates of exchange since 1814, and that contained in a statement

ment of the Company's accountant-general; can you explain this?—The whole cause of the difference is, that when I was questioned upon the subject, I referred to the exchange in India upon England. The Company's accountant-general has made out his statement upon the principle of the exchange in England upon India.

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4521. You were understood to state, that only those sums which have been actually charged against commerce should be brought into this last account, to which the examination refers. In the event of there being sums arising from territory, but the application of which does not appear, not having been charged to commerce, in what way would you propose that should be dealt with?—I think that the territorial branch should account for all its receipts; and if the Committee will refer to Appendix 26 to the Third Report of 1811 they will see that such an account was drawn up by the Select Committee at that time.

4522. Can you at all state the amount of those sums not brought into the account during the period from 1792-3 to 1809?—I have before pointed out certain items which I consider to have been omitted by Mr. Langton

4523. Are there not several accounts of that nature between the years 1792-3 and 1809?—I think all the expenditure between 1792-3 to 1809 is to be traced in someshape or other in the Reports of 1810 and 1811.

4524. Would it give you much trouble to make those statements of the accounts for those three periods, with those corrections which you have detailed upon Mr. Langton's calculation, after the same manner as that you presented to the Committee with reference to Mr Rickards's?—If the Committee, after examining the statements which I have this day made, should desire to have them put into the form of an account, we will endeavour to do so.

4525. You referred to a payment of £500,000 from the Company to Government; on account of that payment did any increase of the dividend take place?—The dividends were increased by Act of Parliament in 1793 from 8 to 10½ per cent.

4526. What would be your opinion of the submission of these accounts to some professional accountant?—I hardly know what is meant by the term "professional accountant," if it does not include the officers of account employed by the Board of Commissioners, by the East India Company at home, and by their government abroad. If those officers are professional accountants, the suggestion to refer these accounts to other persons seems to me to imply one of two things, either that the officers who have framed the accounts are not competent to a discharge of their duty, or that they are subject to a bias in the performance of it. It does not become me to speak of the competency of the Company's officers at home, but perhaps no one has more experience than I have of the ability of the officers who act at the India Board, and of the officers of account to the government in India. As to a bias in the preparation of those accounts, will the Committee give me leave to suggest that the
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present system under which the accounts are framed is eminently one of check, and that the check preponderates greatly against the view which the Company may be supposed to take; because if the Company wish to favour the trade, the India Board and the officers of account abroad must have an equally strong desire to support the Indian territory; besides which, even as respects the Company's officers at home, many of them, including myself, are dependent not upon the trade, but upon the territory. In short, I can safely assure the Committee that the only object aimed at is to furnish the accounts in such a way as to exhibit fairly the result of the transactions between the two branches.

4527. Supposing it were the object of the Committee to obtain these accounts drawn up more strictly according to the ordinary form of mercantile accounts than they appear to be at present, do you suppose that the appointment of a professional accountant for that purpose would conduce to the attainment of that end?—I think not; the officers of account at the Board and at the India House will, I am sure, put the accounts into any shape that may be desired.

4528. From what you have stated of the manner in which the accounts are kept, do not you think there ought to be other accountants in England capable of drawing a balance on the accounts that have been submitted to the Committee?—Without presuming to utter one word in disparagement of professional accountants not connected with the Company, it does not appear to me that the labours of this Committee would be facilitated by employing them.

4529. Have you not in your evidence to-day admitted, in explanation of the difference between the accounts made up by Mr. Langton and yourself, that various items have not been included by Mr. Langton, because there were no documents which you were aware of, that Mr. Langton could have access to, to obtain them?—That is applicable to some of the items in the period 1780 to 1793, but not to others; as, in most of the cases, I have referred to the documents. Any deficiencies would have been supplied, if called for.

4530. Do you mean to say, confining yourself to the last period, that the recommendation made by the Select Committee of striking a balance-sheet between the revenue and territory annually, of every item in the treasuries of England and India, has been done?—Only since 1814.

4531. If so, where a difference of opinion exists between the accountants of the India House and other accountants, by what other mode could the difference be adjusted but by calling in other individuals not in the least concerned in the dispute as to figures?—There could be no difficulty in adjusting mere arithmetical differences; but accounts cannot decide principles.

4532. You have stated that the Board was a check upon the Company; was the Board any check upon the Company, in so far as the accounts were concerned,

concerned, previous to 1814?—They were a check upon the Company previously, but there was no separation of the accounts before 1814.

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4533. It was stated by Mr. Cartwright, in a former day, that 10 per cent. was added to the prime cost of all goods despatched from England. Is that done now in the invoices that are sent out?—The 10 per cent. previously to 1814 was an average. The actual expense incurred is now charged. The 10 per cent was less than the actual charge, which comprises interest, insurance, and commercial charges.

Jovis, 1^o die Septembris, 1831.

JOHN SULLIVAN, Esq., called in, and examined.

4534. In what part of the East Indies were you resident?—Chiefly in Coimbatoor, as principal collector and magistrate.

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4535. How long were you resident in that country?—Between fourteen and fifteen years.

4536. When did you return to England?—Last June; fourteen months ago.

4537. In that situation, of course, you were familiar with the manner in which the land revenue was collected in that country?—Yes, that was my chief employment during the fourteen years I was there.

4538. Did you make any arrangement respecting it?—In the situation I filled as collector, my principal business was in settling and collecting the revenues of the country.

4539. You are acquainted with the workings of the different systems?—I am particularly acquainted with the working of the ryotwar system, and generally with the other systems.

4540. To what extent of district does your personal knowledge reach?—Coimbatoor, and also the neighbouring province of Mysore; Coimbatoor touches upon that province; I was attached for three years to the Mysore residency.

4541. In what situation was the land revenue when you went there?—When I went there it was in a very depressed situation.

4542. In what year was it?—In 1815.

4543. Was it under a commission that was appointed to arrange the mode of levying the revenue that you acted?—The assessment upon all the lands had been fixed before I went there, my duty was to collect that fixed assessment.

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4544. What was the system under which it was levied when you arrived there?—The country was leased out by villages at a rack rent.

4545. Will you describe the different systems of land revenue that prevailed in the Peninsula?—The system of the zemindary, the village lease system, and the ryotwar system.

4546. In what parts of the country do those systems exist now?—The zemindary system is confined entirely to the provinces known by the name of the Northern Circars, and partially in the Salem province, and partly in the zillah of Chingleput, under the Madras government. The ryotwar system obtains now in the districts of Malabar, Canara, Coimbatore, Bellary, Cud-dapah, the two divisions of Arcot, and partially in Madura, Tinevelly, Tan-jore, and Trichinopoly.

4547. And the village system prevails in the other parts?—I believe that is obsolete; I do not think it prevails anywhere under the Madras government at present.

4548. You found that existing in Coimbatore when you went there?—Yes.

4549. Was it intended that you should substitute the ryotwar system, or was it your own suggestion?—It was my own suggestion. I should state that orders had been sent from this country to substitute the ryotwar system in every possible case. It was the great abuses that were found to exist under the village lease system that induced Sir Thomas Munro, with whom I was joint commissioner, to recommend the re-establishment of the ryotwar system.

4550. Did you go there in the character of commissioner?—Commissioner and collector.

4551. Were you induced from your own observation of the country to recommend the ryotwar system in preference to the other?—It was a recurrence to the ryotwar system; that system had been established before; it was established in Coimbatore in 1801, in the first instance, and was continued until 1809, when the country was leased for three years; that lease expired in 1812-13, the revenue year, and it was then partially leased again till 1814-15 when the ryotwar system was re-established.

4552. For how long was the lease?—For ten years; it commenced in 1814 and was to continue for ten years.

4553. Will you have the goodness to describe the different tenures?—The village lease is the Government demand upon the village itself, upon the aggregate; the Government fix the demand upon the village, and agree with renters who undertake to pay that demand, leaving the renters to settle their demands with the ryots as they please.

4554. Will you explain the particulars of that system; who are the renters?—Anybody who engages for the rent; the villages are put up to auction; the assessment is first fixed upon it; if the people of the village choose

choose to take it, they have the preference; if they refuse to take it, other persons are called in who will undertake to pay it.

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4555. Is that what is meant by the village system, when spoken of in any other of the presidencies?—Only at Madras; there is no system of the kind introduced at Bombay; the better name would be the lease system. The professed object of the village leases was to resolve itself into an individual or ryotwar system; that was the ultimate object of the authors of the system.

4556. Who were the authors of the system?—It was introduced under the government of Sir G. Barlow. Mr. Hodgson and the gentlemen of the Board of Revenue of that date recommended it.

4557. When was it they proposed it?—The first lease for three years commenced in 1809, the second for ten years in 1812; the dates are given in a Minute dated January 1818, which will be found in the first volume of the printed Selections.

4558. What was the system prior to 1801?—The system prior to 1801, in Coimbatore, and in all the provinces we got from Tippoo, was the ryotwar system.

4559. What was the change that was then made?—A survey was made, and an assessment fixed upon each field. The revenue under the Mysore dynasty was fluctuating, the object of the ryotwar system was to fix an assessment upon all the lands of the country in perpetuity.

4560. Then in 1809 there was a change again?—The first change to the village system was made in 1809, when the survey and the assessment fixed upon each field were entirely lost sight of, and a sum was fixed as the government demand upon each village, in consideration of which the whole lands of the village were made over to the person undertaking to pay it; the first lease was for three years, and the next for ten years, and to be permanent if sanctioned by the home authorities; that sanction was not given, and the lease was permitted to expire.

4561. When did it expire?—In 1823.

4562. Did it continue till 1823?—Yes, in most places it did.

4563. What was the proposition of Mr. Hodgson?—That will appear by the Minute before referred to. [*The witness read the same.*] It is stated here that the aim of these village settlements was the gradual conversion of the village lease into a lease of each individual ryot's lands.

4564. What is the peculiar principle of the ryotwar system?—The peculiar principle of the ryotwar system is to fix an assessment upon all the lands of the country.

4565. What is the distinction between that system and the principle of the zemindary system?—The great distinction in principle is, that the ryotwar system effectually does that which the other professes to do, but never has

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done, and never can do, that is, to fix an assessment upon all the lands in the country.

4566. That never has been done under the other system?—No, not in Bengal, at this moment; it is called a permanent settlement, but if the Committee look into the details, they will find there is no data upon which to fix the assessment upon the land; and though there is a demand of the government upon a certain portion of territory, when that portion is broken up or divided, the parties must apply to the government for a re-assessment of any portion of the estate which, from accidental causes, may have been so broken up.

4567. Will you have the goodness to distinguish between the amount paid to the government and the amount levied upon the lands?—I consider there is a great distinction. The idea I wish to convey to the Committee is this: under the ryotwar system the assessment goes from the detail to the aggregate; I will take for example the Rajah of Burdwan, who pays the largest amount of revenue to the government of any zemindar in Bengal. The ryotwar system deals with a person of that class in this way; it measures and assesses every separate portion of that estate, and the aggregate of that assessment is the demand of the government upon the Rajah of Burdwan. On the other hand, if there is a proprietor of an estate of 10 acres, the assessment upon his 10 acres is the amount of the demand upon him in perpetuity. My object is to show that the ryotwar system respects property of every class, that of the largest landholder and that of the smallest landholder. In order to do this, you must assess every portion of the land, you must deal with it in detail, and, whether the property consists of 10 acres or 10,000,000 of acres, each separate portion of it must be surveyed and registered in the public records. The object is two-fold: under the influence of the Hindoo institutions, which require that the landed estate shall be broken up and divided between the sons, no great mass of property can ever remain undivided any length of time; when it breaks up, the assessment, under a ryotwar system, is already fixed upon each separate portion of the estate. Another of its objects is to facilitate the transfer of landed property; when a large zemindar, for instance, has occasion to sell any part of his property, or alienate or bequeath it, the first question asked when he takes it into the market is, what is the amount of the public demand upon the land?—Under the ryotwar system the proprietor produces an authenticated copy of the survey register from the village accountant, which shows the exact demand upon it in perpetuity, and he carries his land into the market and sells it without difficulty: but under the zemindary system, if a zemindar wishes to dispose of a village, or only 10 acres, before he can ascertain the amount of the assessment and public burthen upon it, he is obliged to have recourse to the collector, who must re-assess that separate portion of his estate.

4568. Then the distinction you make between the zemindary and the ryotwar tenure is, that in the one case the details of the interest of the respective ryots

ryots are known, and in the other case they are not ascertained?—In the one case they are ascertained completely, and not at all in the other. 1 Sept. 1881.

4569. Would it not be possible to ascertain them under the zemindary tenure?—Yes, at the time it would have been possible, but it is impossible now to ascertain it. *J. Sullivan, Esq.*

4570. Could you not establish this zemindary system, that of a great proprietor dealing directly with the government, and yet ascertaining that all the inferior occupants shall have their rights protected and known?—The ryotwar system deals with the proprietor; if the rajah is the complete proprietor of the land, he is the person with whom the government deals; it does not profess to interfere between him and his tenants, it leaves him in perfect possession of his rights, and stands in the same relative situation towards his tenants as a landlord does to his tenant in this country.

4571. But, in order to ascertain what he is to pay, you would assess the whole of his fields?—Yes, first in detail, and then in the aggregate.

4572. In that case, what greater protection could you give to the ryots than is given under the zemindary settlement?—The zemindary settlement is founded upon a usurpation of the rights of the ryots; if the zemindar was absolutely the proprietor of the land, his right is as good as the right of any ryot, but you have constituted the zemindar, and made him proprietor; you have taken away the right from the ryots and given them to the zemindar. It is a question whether you have any right to interfere between the zemindar and his ryots.

4573. What advantages with respect to the condition of the ryots do you consider the ryotwar system has over the zemindary system?—In the fixed assessment upon the lands of the ryot, which is the best incentive to his industry, the government demand being fixed upon his land, all the benefit of the improvements is left to himself; his capital is employed in creating fresh produce for his own benefit.

4574. What sort of property resides in the ryot?—A complete proprietary right in his land; he is the owner of his land to all intents and purposes.

4575. Are there any very large estates held under that system?—There were two or three to a very considerable amount, but under the operation of the Hindoo institutions they have all broken up, and in the next generation they will be petty estates, but that is not the consequence of the ryotwar system, but of the Hindoo institutions.

4576. Under the ryotwar tenure, is it not possible for the zemindar with whom you deal to exercise great oppression over his ryot with impunity, as far as the government is concerned?—I conceive not: I should say he has no great means of exercising oppression over him; he may demand from him what he pleases; his land is his own, he may let it for the highest sum he can get; but the ryot under the zemindary system is completely withdrawn from the protection of the government; the government has nothing to

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to do with him in any way whatever; if he suffers any injury from the zemindar, his only remedy is a suit in the court.

4577. What other advantage do you think the ryotwar system possesses over the zemindary system?—In the creation of a great body of independent proprietors; I should think that one great advantage over the zemindary system, which is confined to the creation of a very few, and they are only proprietors in name.

4578. Is there any advantage as to the revenue?—Yes; the decided advantage is, that all the fruits of industry accumulate for the benefit of the great mass of the people; in the case of the zemindary system they accumulate for the benefit of a few.

4579. Does it tend to the accumulation of capital?—Yes, in a very considerable degree.

STATEMENT showing the Results of the RYOTWAR SYSTEM in COIMBATOUR, from 1814-15 to Accountants

| YEARS. | Number of Villages and Hamlets. | Population. | Black Cattle and Buffaloes. | Sheep and Goats. | Number of Persons paying Taxes. | Number of Ploughs. | Number of Wells. | Quantity of Land paying Assessment. |
|-------------|---------------------------------|-------------|-----------------------------|------------------|---------------------------------|--------------------|------------------|-------------------------------------|
| 1814-15* .. | 5,791† | 550,814 | 377,129 | 384,167 | 124,692 | 68,108 | 23,724 | Acres. 1,056,644 |
| 1815-16 .. | 5,613 | 563,695 | 441,540 | 393,837 | 144,580 | 83,287 | 27,097 | 1,345,424 |
| 1816-17 .. | 5,618 | 585,147 | 417,365 | 372,822 | 145,225 | 83,331 | 26,868 | 1,355,436 |
| 1817-18 .. | 5,748 | 611,823 | 418,586 | 385,306 | 145,664 | 82,762 | 27,366 | 1,373,294 |
| 1818-19 .. | 5,783 | 664,114 | 452,010 | 403,981 | 160,232 | 84,351 | 27,162 | 1,412,064 |
| 1819-20 .. | 5,799 | 637,637 | 457,664 | 398,777 | 160,975 | 83,899 | 28,812 | 1,419,746 |
| 1820-21 .. | 5,850 | 625,815 | 502,304 | 389,260 | 163,382 | 81,499 | 29,558 | 1,415,303 |
| 1821-22 .. | 5,914 | 638,199 | 458,433 | 394,205 | 162,593 | 82,853 | 28,719 | 1,418,249 |
| 1822-23 .. | 5,953 | 677,252 | 485,037 | 394,506 | 168,899 | 81,733 | 29,586 | 1,458,459 |
| 1823-24 .. | 5,970 | 827,530\|\| | 601,881 | 451,102 | 169,422 | 85,630 | 29,889 | 1,464,136 |
| 1824-25 .. | 5,979 | 842,214 | 606,468 | 465,236 | 172,009 | 85,457 | 30,989 | 1,472,844 |
| 1825-26 .. | 5,993 | 852,409 | 643,786 | 464,358 | 174,813 | 85,940 | 31,239 | 1,448,221 |
| 1826-27 .. | 5,993 | 854,050 | 666,357 | 443,847 | 175,418 | 88,159 | 31,592 | 1,444,617 |
| 1827-28 .. | 5,996 | 859,056 | 654,837 | 451,060 | 175,164 | 88,076 | 31,694 | 1,444,031 |
| 1828-29 .. | 5,996 | 870,866 | 658,011 | 429,544 | 184,244 | 87,769 | 30,818 | 1,457,610 |

* The Province was under lease in 1814-15.

† Deserted villages included in these returns.

|| Infants under five years of age are included in the returns of the last six years.

4580. How many years experience had you of that system?—Fifteen years. 1 Sept. 1881.

4581. Did you observe any of its advantages?—Yes, those advantages are not matter of opinion, they are matter of record; every improvement is traced and recorded. *J. Sullivan, Esq.*

4582. What record have you of those advantages?—This paper is a statement drawn up from official documents, and which I appended to a little tract I drew up upon the ryotwar system, for the information of the authorities in this country.

4583. Will you have the goodness to state the general results?—The progress of population; the increase of stock; improvements in agriculture; the creation of capital employed in different works; the increase of revenue from the land, are all given in this Statement.

1828-29, both inclusive, compiled from the detailed Accounts kept by the Curnums, or Native of Villages.

| Amount of Assessment. | Average Size of the Estates. | Average Payment of Proprietors. | Amount of Taxes on Arts and Professions. | Revenue from Customs. | Revenue from Licenses. | Revenue from Stamps. | Total Produce of Revenue in all Branches. | Average Payment per Head. |
|-----------------------|------------------------------|---------------------------------|--|-----------------------|------------------------|----------------------|---|---------------------------|
| Rupees. | Acres. | R. A. P. ‡ | Rupees. | Rupees. | Rupees. | Rupees. | Rupees. | R. A. P. |
| 1,864,391 | 16,716 | 19 10 3 | 109,215 | 113,608 | 19,889 | 12,185 | 1,966,389 | 3 9 1 |
| 2,011,192 | | 19 14 6 | 120,671 | 108,787 | 20,438 | 12,049 | 2,259,092 | 4 0 1 |
| 1,931,850‡ | | 19 3 6 | 124,335 | 123,284 | 22,073 | 10,727 | 2,206,215 | 3 12 4 |
| 2,018,407 | | 19 14 0 | 123,771 | 153,144 | 22,857 | 15,281 | 2,381,509 | 3 14 3 |
| 2,071,180 | | 19 7 9 | 164,650 | 167,506 | 25,487 | 16,399 | 2,484,994 | 3 11 11 |
| 2,086,042 | | 19 15 10 | 158,716 | 210,734 | 26,167 | 19,199 | 2,550,621 | 4 0 0 |
| 2,042,167‡ | | 20 5 0 | 174,647 | 193,966 | 32,311 | 22,603 | 2,489,165 | 3 15 8 |
| 2,055,146 | | 20 7 8 | 172,793 | 193,243 | 38,336 | 19,868 | 2,508,812 | 3 14 11 |
| 2,142,165 | | 20 4 5 | 171,537 | 206,291 | 41,169 | 15,716 | 2,611,359 | 3 13 8 |
| 2,082,190‡ | | 19 6 7 | 164,341 | 172,805 | 41,277 | 17,491 | 2,497,850 | 3 0 3 |
| 2,218,775 | | 19 12 5 | 161,319 | 180,390 | 42,084 | 15,890 | 2,636,155 | 3 1 10 |
| 2,219,416 | | 19 10 1 | 160,217 | 202,350 | 43,852 | 15,453 | 2,671,379 | 3 2 2 |
| 2,230,030 | | 19 9 3 | 159,360 | 203,629 | 44,088 | 14,118 | 2,673,999 | 3 2 1 |
| 2,227,476‡ | | 19 6 11 | 166,231 | 202,743 | 53,661 | 20,986 | 2,680,494 | 3 1 11 |
| 2,189,275‡ | | 18 10 9 | 179,023 | 214,873 | 54,661 | 21,322 | 2,670,760 | 3 0 9 |

‡ A bad season.

§ Rupees, Annas, Pice.

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4584. The ryotwar system you conceive to have been the original institution?—Yes, I do; the ancient system.

4585. And more agreeable to the people?—Most decidedly. There are in this little tract two or three very striking instances of the tendency of the Hindoo institutions to break up all accumulations of property into small divisions. When we took possession of Coimbatore in 1800, there was a proprietor of the name of Ramacharry; he possessed an estate of 1,700 acres, and was assessed at the annual sum of 8,000 rupees; he died in 1807, leaving to his children a landed estate of 2,270 acres, assessed at 11,000 rupees. These accumulations they held in common until 1818, when they were divided amongst his three sons. A repartition of it subsequently took place for the benefit of his grandchildren, and in 1829 it had been split into 20 separate estates, the largest of which did not contribute more than 400 rupees to the revenue. Another was Vancatacharry, a proprietor of the same place; he in 1800 had 1,030 acres, rated to the public assessment at 6,800 rupees, the estate had increased to 1,342 acres, and his payments to 6,700 rupees; when it was divided amongst eight of his descendants. Vencatramiengar, a proprietor now living in the Coimbatore division, had in 1800 a property consisting of 111 acres, and paid 1,000 rupees per annum to the public revenue; a few years afterwards his estate had increased to 205 acres, and his payments to 1,744 rupees; but having already made a partial distribution of property amongst those who will be his heirs, the estate in his immediate possession is now reduced in size to 104 acres, which at his death will be partitioned out to his descendants. Supposing those three men to have been settled with under the permanent settlement, when the estates broke up as they have done, each separate portion would have required a re-assessment; but with the assessment originally made under the ryotwar system, no farther interference is necessary on the part of the government.

4586. The first estate you have named paid 8,000 rupees to the government?—Yes.

4587. From the division of the property amongst his descendants they paid 400 rupees each; what did the same property pay to the government altogether after the division?—Precisely the same sum; the assessment is fixed in perpetuity.

4588. In what sense do you think the ryotwar system can be called a permanent system?—I consider it the only permanent system, inasmuch as the land-tax is fixed in perpetuity on every field in the country.

4589. As a maximum?—No; fixed.

4590. Fixed in what sense; that it cannot be exceeded?—Yes, that it cannot be exceeded.

4591. It varies within that demand?—When too high it is modified and reduced.

4592. Does

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4592. Does that require a fresh survey?—No; it is merely an arithmetical process reducing so much per cent.; no fresh survey whatever is necessary.

4593. In the province of Coimbatore is the survey complete?—Yes.

4594. And the assessment fixed upon every field in the province?—Yes.

4595. According to a principle that can never be exceeded?—Under no circumstances.

4596. In what mode did you proceed to make that assessment?—It was made by my predecessor, Colonel M'Leod; he was the gentleman under whose superintendence a part of it was made, and the other part under Mr. Hurdis; they were the first collectors of the province after its cession to the British Government.

4597. It was made by them in connection with the native village authorities?—Yes; in communication with, and with the assistance of the natives.

4598. You saw no reason to doubt the accuracy of it?—It required modification upon several points, and has been modified and reduced.

4599. At what proportion was the assessment fixed?—I think the average amount of the original assessment was 45 per cent. of the gross produce of the soil.

4600. Paid to the government?—Yes.

4601. Was that the rule by which the assessment was made?—It did not exceed it in Coimbatore; in the rice lands, the lands artificially irrigated, it varied from 45 to 60 per cent.

4602. You take a proportion of the gross produce as the rule of assessment?—That was one of the data; but it should be understood, in those countries where a large portion of the land is dry, there has always been a fixed money payment from the earliest epochs, as long ago as the Bizzanuggur government.

4603. What other data were there?—The customary payment was one data, whatever could be traced from the original records; the survey was another; and that was again adjusted by the proportion of the produce of the soil, as in this country every landlord takes a certain portion of the produce as rent commuted for money.

4604. Was the assessment fixed higher than it had been previously?—Rather lower; there was very little difference on the whole. In some particular instances it was fixed much higher, indeed enormously higher; but that continued only for four years, when it was as much reduced.

4605. In general was it a high assessment?—No, in general moderate.

4606. Did it exceed what could fairly be considered the rent of the land?—In some instances; it did in those instances; but when it did so, it was upon a rough survey that had not been revised and modified.

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4607. The question referred to the permanent maximum?—It was considerably lower.

4608. In all cases?—Yes, upon its revision; but it is necessary to explain that the tendency of a fixed assessment upon the soil is to increase the produce, and diminish the ratio of the assessment. The ryots pay a much smaller proportion now than they did when the tax was first assessed, so that the calculation I make is that they do not now pay more than 20 per cent., having originally paid from 36 to 45.

4609. During four years the assessment, you say, was too high?—Yes, the rough survey was, before it was revised; a great many errors had crept into the survey that had not been revised.

4610. What four years were they?—They were 1804, 1805, 1806 and 1807.

4611. Do you suppose that the survey was made prior to your time in the same manner as since?—Yes, I imagine strictly so in former times.

4612. In what proportion did they assess them?—The assessment was generally much higher; they took a larger proportion of the produce computed for a money rent; the demand upon the land was larger.

4613. What has been the effect of the ryotwar system in other parts of Madras?—I do not consider it has had a fair trial in any other province; until of late years it has had no existence whatever, and I am certain, if it continues for any number of years, the benefit arising from it will be apparent; I should say ten years was a fair trial.

4614. Was not the general complaint that Sir Thomas Munro's assessment was too high?—He lowered it; he found it too high, and lowered it. His proposition was to have lowered the assessment of some of those districts to 25, and in other instances 33 per cent, but his proposition was over-ruled, upon the ground that the government could not spare so much money. The land was let at a rack rent in 1809, and continued till 1822 and 1823, when the ryotwar system was introduced. His very first measure, where an opportunity offered, was ordering the reduction suggested in 1807. His orders were not carried strictly into execution; and in 1826 another collector was appointed to the district under Sir Thomas Munro's instructions, who did reduce the assessment, and it was in 1826 Sir Thomas Munro went there to see the effect of it; on that mission he died. So that in these districts the ryotwar system has only had a fair trial of two or three years.

4615. What are the districts in which it prevails?—Bellary and Cuddapah, the ceded districts.

4616. Has the value of the land of Coimbatore increased as compared with the value of the land in other districts?—I should think very considerably.

4617. Can you state in what degree?—I think I ascertained in Coimbatore lands sold as high, sometimes, as twenty years purchase the net rent.

4618. Were

4618. Were they common lands?—No; lands artificially irrigated; they sold as high as twenty or twenty-five years purchase. 1 Sept. 1831.

4619. What would be the number of years purchase such land would sell for in other districts?—I should think not more than four or five years; in many parts of the province lands are not saleable at all. *J. Sullivan, Esq.*

4620. From what cause do you consider the value of land to have been enhanced in Coimbatore?—I consider the increased value of land to have arisen entirely from the ryotwar assessment, which, as a fixed assessment, secures to the ryot the exclusive benefit of the industry and capital employed upon the land. Under the permanent settlement he cannot have that benefit, because it is not fixed. I can illustrate my meaning in this way: suppose a ryot in a zemindary district to have a well, and the land is artificially irrigated from that well, and that the same description of land belongs to a ryot in Coimbatore; in the one case the demand is permanently fixed and registered, the consequence is, that all the capital he can spare he throws upon it, sure of receiving the whole profits: but under the zemindary system a ryot is not sure; there is no fixed demand upon him; he may pay rent equal to one-third of the produce this year of his well land, and the next year the zemindar may come upon him for one-half; there must always be a very considerable difference between them, the difference depending upon the limit fixed to the assessment of the land.

4621. Is there much competition for the land?—Yes, very great competition.

4622. Would you not have to depend more upon native agency in the ryotwar system than in the zemindary system?—I do not think you depend more upon native agency under the ryotwar system. The difference is between the agency of zemindars, and the agency of tehsildars; a bargain is made between the ryot and the tehsildar in the one case, and the agent of the zemindar in the other. The tehsildar is the agent who collects the government revenue from the ryots.

4623. The Committee understand, when you are speaking of the advantages of the ryotwar system over the zemindary system, you would contemplate a permanent maximum that shall never be exceeded?—Yes.

4624. Do you not contemplate that permanent maximum being a low rent upon the ryot?—Yes, most unquestionably; that is the foundation of the whole.

4625. Do you think, in the ryotwar system established by Sir Thomas Munro, the permanent maximum was a low rent?—What he wished to establish in 1807 was a very moderate rent, and what he did establish in 1822 was a moderate rent.

4626. A moderate assessment was not established in the Madras presidency, where the ryotwar system now exists, except in Coimbatore, until in 1827?—I think in 1825.

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4627. Do you recollect the actual amount of the permanent maximum in Coimbatore in the time that it was originally assessed in 1801?—I think I have stated I considered it to amount to about 40 or 45 per cent.

4628. Do you know the actual revenue raised?—I am not sure; I cannot state it from memory.

4629. Do the Committee understand that the permanent maximum established in Coimbatore is now actually realized?—Yes, in a majority of instances. A very considerable increase did take place in consequence of the extended agricultural improvements upon the land.

4630. Was it not necessary in the province of Coimbatore to make the reductions necessary in other parts of the presidency?—Reductions have been made; considerable reductions, in the last fourteen years; and in those years 1805 and 1806, when the assessment was found too high, there was a very large reduction made.

4631. You were understood to state that the permanent maximum is now actually realized in Coimbatore?—The permanent maximum is realized.

4632. Do you conceive, after the revision of the actual settlement, a permanent maximum exists in Coimbatore?—Undoubtedly.

4633. And that it is not in the power of the collector or the government of Madras to vary it?—Certainly not in the collector; and it would be a breach of faith on the part of the government.

4634. Was that permanent maximum contemplated at the time the village leases were granted?—No, that was lost sight of.

4635. Then in that case a deviation from the principle laid down existed in Coimbatore?—Yes, completely.

4636. That commenced in 1809?—Yes; and continued to 1812, in the first instance, and partially to 1815.

4637. If that great deviation could have existed in those years, what is there to prevent a similar deviation at the present moment?—It was entirely the act of the government; I thought it a very reprehensible one certainly; I consider that the faith of government is pledged to that maximum of assessment, and to deviate from it would be a gross breach of faith, as under that faith large sums have been expended in improving the lands.

4638. Do you not conceive that a permanent maximum, if fixed too high, is an injury rather than a benefit to the country?—A most decided injury; it is a vice in any system; there can be no prosperity under it; it matters not what the system is, if the assessment is too high the agriculturalist must be ruined.

4639. The table you have given in of the revenue of the state of Coimbatore, from 1814-15 to 1828-29, is drawn up for the years during which you were collector for the district?—Yes.

4640. Do you not imagine that the prosperity of the province which is subject

• subject to that settlement must very much depend upon the attention, or otherwise, paid by the collector?—I do not think peculiarly so, because the great business of the revenue has long been completed, which is the assessment of the land; the collector has nothing to do but to collect it. 1 Sept. 1881.
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4641. But that has been deviated from?—It has been revised, but it is revised as a landlord revises the rent of his estates in this country: you can neither have an immutable revenue or an immutable rent.

4642. Was any part of the reduction that took place in the assessment of Coimbatoor made at the suggestion of yourself?—It was.

4643. Supposing a collector had been at Coimbatoor who had not taken the same view you did, and had endeavoured to realize the permanent assessment upon that province, do you imagine that the same results would have taken place at Coimbatoor that are exhibited upon this Table?—I think its prosperity would have been very much checked indeed.

4644. You have stated that you think in Coimbatoor land will sometimes sell for 20 to 25 years purchase; are you aware of the price at which land sells in the Bengal presidency, where the permanent settlement exists?—No, I am not aware of that; but I conceive the zemindar himself can only sell rights of revenue; he cannot sell the land itself; the ryot under the zemindar cannot sell his land, because it is so heavily taxed as not to bear a saleable value.

4645. Mr. Mill has stated the price as varying from 25 to 100 years purchase?—That is the government revenue.

4646. But what is sold is the rent accruing after that is paid?—It is the right of collecting the government revenue.

4647. That consequently evinces a considerable extension of cultivation upon the estate so sold?—I do not think it so follows; it may have been a very low and unfair assessment originally.

4648. Has there been a considerable investment of capital in the province of Coimbatoor in the shape of irrigation?—Yes, as shown in the Table.

4649. By whom is that done?—By private proprietors.

4650. You stated that you did not remember the amount of the original assessment?—No, I must refer to the accounts.

4651. Was the whole of the land of that province, whether cultivated or not, brought into that assessment?—Yes, it was all surveyed and valued, whether occupied or not.

4652. Do you not conceive that the assessment being settled by a minute survey establishes a great and effectual check upon the native public servants and the cultivators?—Most decidedly; it is the only check, in my opinion, that can be established.

4653. What is your opinion, from your observation of the provinces that have been under your management, of the general character of the native servants,

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servants, and their progress towards improvement?—I have a very high opinion of them; I think, where they have been wanting in good qualities, it has been entirely owing to our treatment of them.

4654. Are you of opinion, that giving greater trust and responsibility to those persons, and at the same time a liberal and fair increase of pay and of consideration from the government they serve, will tend to render them men of integrity, whose duties may be enlarged with perfect safety to the state?—I have no doubt that will be the result.

4655. Do not you conceive, from the land being the principal source of revenue, and the happiness of the people being very greatly dependant upon the collection of it, that a minute knowledge of the territorial branch of administration is quite essential to every civil public functionary of the government, in whatever line he is employed?—Most indispensably necessary. I should think no person qualified for any office of trust who had not that knowledge.

4656. Are not the disputes and litigations of the inhabitants of those provinces of which you have knowledge in a far greater proportion regarding lands than on any other subject?—Undoubtedly they are.

4657. Do you think that an early education, and the attainment of knowledge in the revenue line, and the exercise of magisterial duties, is essentially necessary to form persons for the judicial branch of the administration of our provinces in India?—I should think it essentially necessary; there is no other education by which they can become acquainted with the manners, and usages, and customs of the people, their modes of transacting business, and the loans they make, and the mode in which they borrow money in the transactions between the agricultural and commercial population; besides, in that situation they live in habits of familiar intercourse with the people, which they can never do in the trammels of a judicial office.

4658. Do you think, from the observation you had of its effects, that the exercise, over extended tracts of country, of the functions of a commissioner, combining both duties, judicial and revenue, is calculated to promote justice, to secure the happiness of the people, and, beyond the present system, both in economy and efficiency, to promote the general interest of the government?—I think those objects cannot be attained under any other system; and I should say at present there is no effectual check over the local officers, either revenue or judicial.

4659. Do you not think, from your experience, that, independent of that check and control over the officers, revenue and judicial, it would in a very great degree prevent that collision, which, descending from their superiors, often throws into parties, and produces the worst effects among the native officers of government, as well as a want of confidence in the inhabitants of the province?—That is my decided opinion.

4660. Are

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4660. Are you not aware that a fixed and moderate assessment, wherever it obtains in India, and under whatever name, is attended invariably in every place with the same improvement in the state of the country which you have ascribed to the ryotwar system in Coimbatore, and is not that exemplified in the highly flourishing state of the estates of many jaghiredars, both in the Madras and Bengal territories?—I am not aware of the state of the Bengal jaghiredars.

4661. Are you aware of the state of the jaghiredars in Bombay?—I do not know the state of them, and I am not aware that any person has an accurate knowledge of the state of the zemindars in the Madras territory, or of the polygars; if they pay their kist regularly, the government are satisfied.

4662. Do you not conceive, wherever a moderate assessment exists for any length of time in any part of India, prosperity immediately evinces itself in such a district, under whatever system the revenue is raised?—I should say decidedly not: I think the government may be very moderate in their demands upon the *zemindar*, and other people of that class, and the demand upon the *ryot* may be as great as it was under the native governments, with this very great difference, that it is impossible for the ryots to look for any change.

4663. That is supposing an arrangement is made with the zemindar, and he has the power of exacting what he chooses from the ryot?—Yes.

4664. The Committee is supposing that an assessment shall be made upon the ryots, that is a moderate assessment?—Then it is, to a certain extent, in fact, the ryotwar system.

4665. Supposing the rights of the ryots had been sufficiently attended to at the time the permanent settlement was established in Bengal, and the assessment upon them had been moderate, do you not imagine that a great increase in the population and prosperity of Bengal would have been the consequence?—No doubt.

4666. Do the Committee understand you to state, that after the reduction made in the assessment of Sir Thomas Munro, that any permanent maximum was fixed, subject to that reduction?—There was a permanent maximum fixed, subject to that reduction.

4667. By whom?—Sir Thomas Munro himself.

4668. In what year was it?—It was in the year 1800 that the Ceded Districts came into the possession of the British Government. After the fall of Seringapatam Sir Thomas Munro assumed the charge of these districts as principal collector, in 1801, and immediately commenced a new survey, with a view to fix a permanent assessment upon all the lands. That survey and assessment he had nearly brought to a conclusion in 1807, and in reporting upon it, he stated to the government that the assessment amounted at that time to 45 per cent. of the gross produce of the soil, which

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which he proposed to reduce, in some instances 25, in others 30 per cent., stating it as his opinion, that such a reduction would in progress of time give a saleable value to all the lands of the province. He coupled that proposition with another, that went to declare the ryots the absolute proprietors of their lands upon the payment of this fixed and reduced assessment. The government of Madras acknowledged the advantages that would accrue from adopting Sir Thomas Munro's suggestions, as far as the welfare of the people was concerned, but stated that the pecuniary exigencies of the government were so great as to make it impossible for them to give up that amount of revenue that would have followed from the reduction proposed in the assessment. Sir Thomas Munro embarked for England in 1807, and in 1808 and 1809 the government of Sir George Barlow introduced a village rack rent of the districts which had been under Sir Thomas Munro's charge, which rent continued until 1812; that rack rent was followed by a lease of ten years, which expired in 1822, when Sir Thomas Munro ordered the reduction which he had proposed in 1807 to be made, and which was carried into execution in the year 1825-26, and that reduced assessment is now the maximum demanded upon the land of those districts.

4669. In what way is it fixed as a maximum assessment; what instrument has the ryot to show that his assessment is now fixed in perpetuity?—He has given to him what is called a "puttah," which gives a particular detail of the lands in his possession, with the amount of the government tax, and that puttah has the seal of the collector attached to it.

4670. Have these puttahs been generally given?—Yes; but I do not consider them sufficient, they ought to have something from the government itself. There ought to be a declaration, which there has never been, that the present assessment is the maximum demand upon the land.

4671. The puttah is granted by the collector?—Yes, on behalf of the government.

4672. Does it depend upon the authority of the individual collectors to grant these puttahs?—No, it is obligatory upon them.

4673. Is it by one of the regulations under the Madras presidency that these puttahs are granted?—Yes, it is.

4674. Can you state the date of that regulation?—I believe it is a regulation of the year 1802.

4675. That was previous to the reduction?—Yes; it is merely a regulation that puttahs shall be issued.

4676. Has a fresh regulation, since the reduction of Sir Thomas Munro's assessment, been given out at Madras, that a permanent maximum shall be established?—I do not think it has been made matter of regulation.

4677. Have the puttahs generally been granted to the ryots under the Madras

Madras presidency subject to the reduction of Sir Thomas Munro?—Yes, invariably. 1 Sept 1831.

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4678. But it is not granted upon a regulation of the Government?—I do not speak positively; I do not think there has been a regulation issued.

4679. Do you conceive that puttahs granted to the ryots, not founded upon the existence of an actual regulation, are instruments of such validity as to enable you to state that a permanent maximum exists throughout the Madras presidency?—Yes, decidedly, in the ryotwar districts.

4680. Was nothing done to moderate the assessment for the twenty years that elapsed from the time of the first assessment of Sir Thomas Munro, notwithstanding his recommendation, and was it left to himself finally to do so on his own responsibility?—Yes, it was.

4681. Do you conceive that a settlement made with the ryots and zemindars can be practicable without either being inefficient in its protection of the former, or effecting a complete change in the condition of the latter?—Under the present system it is utterly impracticable; it is stated so by Lord Hastings in the broadest possible terms.

4682. What would be the situation of a zemindar, suppose an assessment was formed by the government upon each of his ryots which he could not alter, would he not become a mere collector?—Yes, completely so; and it would be a gross violation of his proprietary right.

4683. Was not the regulation to which you have referred a regulation for a perpetual settlement of the Madras presidency?—Yes; but as far as the puttahs are concerned, it was applicable to the ryotwar district.

4684. Is there any other regulation as to the puttahs except the one you have stated?—No other occurs to me now; if there is any other it will be found in the regulations of the Madras government.

4685. In the first instance of this permanent settlement were those puttahs granted?—Yes, invariably, in the ryotwar districts.

4686. And those puttahs stated the permanent maximum established by Sir Thomas Munro?—They stated the assessment of the different districts.

4687. Then if those puttahs give the reduction that was then made, there can be no others granted?—The puttahs are granted annually; sometimes a ryot will throw up part of his land or take other lands, when another is granted, showing the names and the quantity of his fields, and the amount of his tax; if no alteration is made in the holding, the puttah is not altered; if he has resigned part of it, or added to his holdings, it is altered; it is annually granted.

4688. It is granted as a matter of course?—Yes; and it is evidence in a court of justice, with the collector's seal attached to it.

4689. It is evidence for that year?—There is another granted for the next year.

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4690. If a ryot gives up the cultivation of a field for some years, and then goes back to that field again, does he expect that the same sum will be charged him as revenue upon that field that was charged him before?—Yes; neither more nor less.

4691. In those cases in which the land is worth from ten to twenty years purchase, the cultivator would have no disposition to throw it up?—Never. I do not say that all the land is of that value, but I have known it sold at that value.

4692. What can be the inducement for the cultivators, who have the property in the soil you have described, to throw up any part of the land?—Frequently from being reduced in their circumstances. Many of the ryots in India are men who live from hand to mouth, and if a plough breaks, or a bullock dies, or the rains fail, they are not able to carry on their cultivation; they are men of no capital, they cultivate upon borrowed capital; a succession of bad seasons will go far to ruin the richest proprietor.

4693. Do the Committee understand that the puttahs granted annually contain a list of the fields, taken from the original survey, with the rent that each field is to pay?—Yes, they do.

4694. You have stated that the cultivation is carried on chiefly by borrowed capital?—A good deal of it is; but not chiefly.

4695. Can you state the interest that the ryot commonly pays for the capital borrowed?—He always receives advances from the government when he wants assistance, and if he is poor he pays no interest for it; it is what is called “tuccavee.”

4696. Is that often granted?—Yes, whenever applied for; no interest is charged upon it, and it is repayable by instalments.

4697. 'Then why should they borrow of others?—They generally get the money from the government.

4698. Can you state the amount that is so obtained in any one year?—No, I cannot precisely; but one great proof of the amelioration of the condition of the inhabitants is, the diminished amount of the advances; it has diminished in Coimbatore from 50,000 or 60,000 rupees a year to 18,000 or 20,000 rupees a year.

4699. You have stated that they get “tuccavee” whenever it is applied for; do you mean in every case?—When every necessary inquiry is made into the circumstances of the applicant.

4700. The revenue is chiefly collected by the native servants of the collector?—The heads of the villages are the collectors.

4701. Under the ryotwar system?—Yes; and he pays it over to the tehsildar, who repays it over to the provincial collector.

4702. Did not Sir George Barlow expect by the alteration he made
in

in the revenue in 1809, that he would have been able to have raised the revenue equal to that which the assessment then was without the reduction of Sir Thomas Munro?—He did expect it, and completely failed in his expectations. 1 Sept. 1831.
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4703. Did the settlement made by you in Coimbatore differ materially from the general system of ryotwar introduced by Sir Thomas Munro?—In no respect.

4704. It has been stated by a witness before the Committee, Mr. Mill, that in that settlement of Coimbatore the putticut plan was adopted?—That is founded upon a misapprehension; such a plan was proposed by me, and seconded by Mr. Thackeray, who was acting for me, but it was never carried into effect. The proposition arose from the situation of some of the lands in Coimbatore; it is a great cattle country, and there is a large quantity of pasture land. In other districts the pastures are held rent-free; in Coimbatore they pay a light tax amounting to one-fourth or one-fifth of the fixed assessment, so long as it continues pasture: when the land is tilled and produces corn, it pays the full assessment. In the same way, lands that depend for their produce upon the falling rains pay a much lower tax than lands artificially irrigated. The object of this putticut plan, which means lands entered in the ryot's puttah, was that the ryots should be enabled to convert their pasture lands into arable lands, and their common dry fields into gardens, for a certain number of years, without paying the full maximum assessed upon them.

4705. It is stated by the same witness that there is this material difference between the two, that after the field survey and valuation were made, one sum was assessed upon the ryot for the whole of his holding, and he engaged to pay it for a year?—That was the proposition, but never carried into effect.

4706. It is stated that the putticut system was acted upon for nine or ten years?—That is a misapprehension, it never had existence; but there is, in point of fact, very little difference between what is intended by the putticut system and the system that prevails now: I stated it to have originated in that tenure of the land which makes the ryot pay a small sum for pasture land; when he turns it into corn-fields he pays the common assessment; and the object, as I stated, was that for a certain number of years, I thought ten years, he should be allowed to convert his pasture into arable, and the arable into gardens, without any alteration as to the assessment. The system now is to give a term of years to the ryot, who converts his arable field into garden land, before he is called upon to pay the full amount of the maximum assessment; so that, in point of fact, there is very little difference between the two systems. Under the present system, each field with its specific assessment is entered in the accounts, and in the ryot's puttah.

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4707. The Committee understand from Mr. Mill's evidence, that according to the working of Sir Thomas Munro's system, a species of settlement is made with the ryot annually: that every year, before harvest, his crops are surveyed, to ascertain whether he shall be able to pay the maximum for that year, or whether an abatement must be made, and to what extent?—No survey is ever necessary after the first grand survey is made, except for a remission; there is no such thing known as an annual survey of the crops; the settlement there spoken of is the settlement of accounts between the government and the ryot at the end of the year. In a country like India, where the great mass of the people are poor, and the seasons uncertain, a remission of the assessment is necessary. In this country the landlords are constantly obliged to give up a portion of their rents, when seasons are adverse, or markets bad.

4708. Is it or not the fact, that an annual survey of the crops is made with that view?—A survey is made of the crops of those ryots who may apply for a remission.

4709. But from the fluctuation of the seasons, or the poverty of the ryots, or other causes, is not the assessment a matter of annual assessment or nearly so?—I should say decidedly not; the great mass of the ryots pay from year to year the same sum.

4710. It appears from the same evidence there has been a fuller experiment of the ryotwar system in Coimbatore, inasmuch as there has been no interruption to that system in those districts since it was originally made by Sir Thomas Munro; is that the fact?—The survey of Coimbatore was not made by Sir Thomas Munro in the first instance, but by Colonel M'Leod, and it was interrupted by the village lease system; that obtained from 1809 to 1812, and again from 1813 till towards the end of 1815; the ryotwar settlement has been continued from 1815 till I quitted in 1829, and continues in force at this moment.

4711. The abatement made by Sir Thomas Munro, the Committee understand you to say, was from forty-five to somewhere about thirty-three and twenty-five per cent.?—Yes, of the gross produce. It was intended that in no instance the amount of the assessment should exceed what was considered one-third of the gross produce of the lands, and in some instances only twenty-five per cent.

4712. Did you ever receive peremptory orders from home, through the Madras government, to take care that no more than the rent of the land was taken?—I have no recollection of having received any such particular orders, but I considered myself completely restricted from increasing in the smallest degree the fixed assessment upon the lands.

4713. In the Ceded Districts did the same interruption in the ryotwar system take place?—I have already stated that it was interrupted in 1809, and not re-established till 1823.

4714. Was

4714. Was it over the whole of the Madras presidency, where the permanent system was not in effect?—Except in the provinces of Malabar and Canara.

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4715. Do you conceive, in those districts in which the ryotwar system has been fairly tried, an improvement has taken place in the circumstances of the people?—It is not matter of opinion, but of record, that such an improvement has taken place.

4716. To your own knowledge can you state an instance of a person under the ryotwar system making an addition to his property?—Yes; two or three instances that I adduce are strongly in point upon that subject; instances can be found of such improvement in every village in the province. The aggregate improvement is shown in the statement I have given in; it is the only system where the whole fruits of the ryot's industry go directly to himself, and in which the government do not participate.

4717. Always supposing the assessment is moderate?—Yes.

4718. By the paper given in it appears that the quantity of cultivated land has gradually increased?—Yes, every year.

4719. Must not that have been effected by the capital of the ryot?—No doubt; there is an increased population and increased capital, and in one of the columns it will be seen that there is a gradual increase of what is called garden land.

4720. It has been stated by Mr. Mill, that there is not anything on the records of the Company that indicates this increasing prosperity, beyond the fact of the facility of collecting the revenue; are not the facts you have given in to the Committee upon this paper necessarily within the cognizance of the Court of Directors?—That statement is drawn up from official records, which are submitted to the government of Madras every year, and which contain information of the most minute particulars as to the condition of the property, the improvement of the lands, the increase of stock and capital, and everything connected with the country; it is the most complete statistical record that can be made.

4721. On the subject of the reductions made to those ryots with whom those settlements have been made, in bad seasons, is not it a matter that is open to much fraud and corruption?—To less fraud and corruption under the ryotwar system than under any other mode of settlement, inasmuch as each field bears its separate assessment; and the collector being in constant communication with the ryots, is more likely to understand their circumstances, than under the zemindary settlement or the village-lease system, where he knows nothing about them.

4722. What check is there upon the representations of the native servants with a view to such reduction?—There is that check which one native gives to another; a proposal for a reduction of the assessment must be made through the head of the village, who is a person residing in the village with the

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the ryot who makes the application for the reduction, and that person must be acquainted with his circumstances, so as to know whether he is able to pay it or not. He makes his representation to the tehsildar, who is the district collector; and if he has any reason to suspect a fraud is intended, he deputes a person to survey it and inquire into the circumstances, to ascertain whether he has reaped a fair crop or half a crop.

4723. Whom does he depute upon such an occasion?—One of his assistants. There is exactly the same check there upon a fraudulent application that any landlord has in this country when a farmer comes and asks him to abate his rent; the landlord must trust to the representation of his tenants; if he distrusts them he must depute somebody to make more minute investigation.

4724. In the event of a ryot, with whom a settlement has been made, not being able to pay his kist, what is the consequence?—If he is unable to pay it, a remission is made; and if he fails altogether he abandons his land, and falls into the class of labourers.

4725. What is done with the lands?—They are left till somebody chooses to take them at the fixed assessment.

4726. Is the village under this system made in any case responsible for an individual ryot?—No, and I think it a very great pity they are not so in some cases. That was Sir Thomas Munro's recommendation, but it was not carried into effect. It was the universal practice under the native government, and is the practice under all other systems; it is the only real check upon fraud; where other individuals are made responsible for the defalcation, they will take care no fraudulent applications are made for remission.

4727. In case of an industrious ryot being able to accumulate property, has he any way of disposing of it?—It is either appropriated to the improvement of the land, or dissipated in weddings and feasts among the family, or employed in trade.

4728. Do you not think if banks were established it would tend to encourage industry?—Yes, I made the suggestion myself; I thought it would tend very much to do so.

4729. The irrigation of the land is always conducted by the capital of government?—Yes, in almost all instances, but Coimbatore forms an exception; the wells are there made by the ryot's own capital; the large works, dams, and tanks, are effected by money from the public treasury, but the great source of irrigation is the wells executed by the ryots themselves.

4730. Are there any meerassadar rights in Coimbatore?—Every ryot is a meerassadar; he is the owner of the land.

4731. You consider them hereditary proprietors?—Yes.

4732. Is salt and opium a monopoly in Coimbatore?—There is opium, but it is not monopolized; salt is a monopoly.

4733. Where is the opium produced?—The Nilgherry mountains.

4734. Is

4734. Is not the tobacco monopolized?—The tobacco, the produce of Coimbatoor, is monopolized for the consumption of the neighbouring province of Malabar. 1 Sept. 1831.
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4735. When you stated the crops were not valued, is it not one principle in the valuation, to value the land according to the crops it is able to produce, such as indigo, sugar, or beetle vines?—When land is *originally* surveyed, every thing that can affect the value of the land is taken into consideration; what crops it can bear, and so on; when the assessment has been once fixed, no further valuation is made of the crops with a view to re-assessment. In this country, in other parts of Europe, and in America, most minute surveys are constantly carried on for the purpose of ascertaining the value of land.

4736. Was not there a considerable defalcation in the province of Coimbatoor on the part of a collector?—When I took possession of it, there was a defalcation on the part of one of the native servants.

4737. Of the name of Cassee Chitty?—Yes; the great source of speculation was in the tobacco monopoly, and the money advanced for the repair of the tanks, &c.

4738. What do you consider to be the difference between the systems of land revenue obtaining in Canara, Malabar, and Coimbatoor?—There is this great distinction between Canara, Malabar, and Coimbatoor: the system of Coimbatoor is founded upon a survey made in our own time; in Canara and Malabar, a survey was made in very ancient times; no systematic resurvey has been made by us.

4739. The alterations that have been made with respect to the collection of the revenue ought, according to law, to be founded upon actual regulations of the government, ought they not?—It is not, I believe, imperative upon the government to pass a regulation; the revenue is now collected as it always has been.

4740. Is it not required by the Act of Parliament that there should be no alteration in that respect, without a regulation passed by the government?—There is no alteration that I know of in the collection of the revenue.

4741. The simple fact of granting the puttah is a very material change?—That was the usual practice under the native government; it is the usage of the country.

4742. Is it considered that the increased value afforded to land by irrigation, or other modes of farming, would form a fair subject of assessment?—The lands are so assessed; the most distinct answer I can give to that question is, that the land is divided into two great classes; lands artificially irrigated, and those lands that depend for their produce upon the falling rains. Lands artificially irrigated bear five or six times a higher assessment than lands not irrigated.

4743. In point of fact, is the land so improved assessed higher, as to its gross

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gross produce, than the other lands?—It is absolutely higher; the increase of assessment upon such lands is very great, but the tax, compared with the value of the produce, is lighter.

4744. Do you think that the difference would be equal to the interest upon the capital so employed in the improvement of the land?—The difference of the assessment between the lands irrigated, and the lands not irrigated, is such as to make it an object for the ryot to employ his capital in improving the lands; the assessment is now so adjusted, as to make it the absolute advantage of the ryot to convert the lands that depend for their produce upon the falling rains, into irrigated lands, inasmuch as the tax is lighter upon that land than the land that depends for its produce upon the falling rains, and he is constantly in the habit of doing it.

4745. If an individual proprietor makes an improvement with regard to irrigation, sinking a well, or any other mode, how does the government treat him under those circumstances?—In Coimbatore they give him five full years, for the reimbursement of the capital employed, before the land passes from that class of lands depending upon the rains into that class of lands artificially irrigated.

4746. By the return you have given in, the quantity of live stock in the country does not appear to have increased in the same ratio with the population or the number of villages; can you account for that?—Very likely from frequent murrains among the cattle; there were two or three years when there was a severe murrain, and it is not so easy to take an accurate account of cattle as of men.

4747. You said, in all instances the head of the village, in the first place, collected the revenue; how is he appointed?—From time immemorial, it is his hereditary office so long as he conducts himself well; it has been so from the most remote times.

4748. Does he receive any salary from the government?—He has service lands.

4749. Which he has always held?—Yes; he and his predecessors.

4750. What power has the collector over him?—He can dismiss him if he behaves ill; there is a regulation for his punishment, as well as that of any other officer who abuses his trust; the collector has power over him and all his establishment.

4751. Though hereditary he is liable to removal?—Yes, if he misconducts himself.

4752. What check is there upon the collector?—A very imperfect check indeed; it is a partial check by the Board of Revenue, and partial check by the government.

4753. Is not the collector bound to report to the Board of Revenue any instance of the kind you are now mentioning, the dismissal of any village officer?—

officer?—Yes; he is obliged to send in periodical returns of the dismissal of servants upon his establishment.

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4754. Under whose control is the village accountant?—Under the collector's.

4755. What are the particular duties of the village accountant?—He has the custody of one copy of the village records, in which is included all the lands of the village, and the names of the different proprietors.

4756. Is he appointed by the tehsildar?—His office is hereditary.

4757. Is he paid by land?—Yes.

4758. Upon what principle does a money commutation take place?—It was originally made with reference to every circumstance that can affect the value of land: upon the rice lands, where the government received a share of the crop in kind equal to from 40 to 60 per cent., the tax was commuted for a money rent, upon the average selling prices of a certain number of years.

4759. That does not alter now?—No; it is fixed.

4760. Are you at all aware of the mode of raising the revenue in Tanjore?—The revenue was raised in Tanjore for some time by dividing the crop with the government; for a short time there were triennial leases and quinquennial leases, and now the ryotwar system is about to be introduced, fixing the assessment upon each particular piece of land.

4761. Do you remember having made a report to the board of revenue, stating that the people of Coimbatore have just cause of complaint against the government for their interference in their cultivation and disposal of tobacco, after having permanently fixed the land assessment, and that you observed, that “to make free markets, free prices, and unrestricted cultivation, the data for assessing land, and then to shut the markets, regulate the prices, and restrict the cultivation, was surely to trench upon private rights, and to violate public faith?”—Yes, I have a perfect recollection of having made that report.

4762. Does that system still exist?—Yes, it does.

4763. Did you report the consequences of that system?—I did.

4764. Did you further report that the burning and plunder of villages, where the ryots refused to sell their tobacco to smugglers, was not an unfrequent attendant upon smuggling, and that Mr. Commissioner Græme had noticed that the present system augments the duties of the collectors, magistrates, and courts of justice, inasmuch as it raises a host of smugglers, and consequently an increase of crime and frauds without end amongst the native servants; were those the consequences that you reported?—Yes.

4765. That system still continues?—Yes; and a more important consequence was, that under the operation of this system, the consumption of tobacco at Malabar had decreased, with an increasing population, upwards

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of 40 per cent. ; that was stated in the report of Mr. Commissioner Græme, who was sent to Malabar to report upon the state of Malabar.

4766. You also stated, in the joint report of Sir Thomas Munro and yourself as commissioners, that the ryots have suffered, on account of the tobacco alone, a total loss in four years of four lacs and 55,000 rupees ?—We did.

4767. Of course you have a perfect knowledge, after a residence of fourteen years, of the produce and capabilities of the Coimbatore district ?—I have.

4768. Will you be so good as to state them to the Committee ?—I have a perfect recollection of them, and I have embodied them in this memorandum, which I will read. “ The area of Coimbatore is 8,500 square miles, its population 850,000, its elevation above the sea 1,100 feet. Mountains rise from its base to an elevation of 9,000 feet ; it is capable therefore, from the diversity of its temperature and soil, of yielding every species of European as well as of tropical produce. It is intersected by rivers, from which canals are taken off for irrigation ; these, at a comparatively small expense, might be so prolonged and enlarged as to make a canal communication from one end of the province to the other, and to connect the eastern and western coasts. The principal products of Coimbatore are iron, cotton, saltpetre, tobacco, elephants’ teeth, sandal-wood, opium, sheep, cattle, and grain of every description. The potato grows in great perfection on the Nilgherry mountains, where meat and butter are also cured. The sugar-cane is common ; coffee has been tried and has been found to answer remarkably well. The mulberry grows in some parts of the province, and might be extended to all. The best kinds of the tobacco are monopolized by the government. The cost of a candy of tobacco in Coimbatore is about 22 rupees ; the monopoly price at Polyhant in Malabar, twenty-five miles distant, is 175 rupees. Tobacco, from the moisture of the climate of that province, is next to a necessary of life ; the enormous price put on by the monopoly deprives the lower classes from the legal use of it. Smuggling to an immense extent has been the consequence of this monopoly system. It was ascertained, in 1822, that the consumption of tobacco in Malabar had declined, under the monopoly system, nearly 40 per cent., the population having in an interval of nearly twenty years very greatly increased. Tobacco being the most valuable product of the land in Coimbatore, any system that checks the consumption of the leaf checks the growth, and injures the land revenue of Coimbatore ; the revenue therefore derived from the monopoly in Malabar is, in fact, raised at the expense of the land revenue in Coimbatore, and by a system the most oppressive that can be imagined. The people in Malabar now pay about 200 rupees for a bad article ; they used to pay but 60 rupees for the best description of the leaf. The land-tax in Coimbatore, upon the lands which yield this tobacco was fixed in 1800, with reference to unrestricted cultivation, to free markets and free prices : in 1812 the government prohibited the cultivation, except upon government licenses, and in quantities and

and prices fixed by the government, but no alteration was made in the land-tax. This was a breach of faith. A large portion of the cotton produce, as well as of the saltpetre, has always been taken by the government; sometimes by agency, sometimes by contract, which, though nominally open, is in fact a close contract. The cotton, which fetched so high a price at the Company's sales in August last, was the produce of Coimbatore; as it grows upon the poorest soils, the produce may be carried to any extent.

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“The great fertility of Coimbatore, its varied produce, and its proximity to the Malabar coast, render it of great importance in a commercial point of view; and its importance in this respect would be much enhanced if the communication with the Malabar coast be improved either by opening canals or by the construction of a railway. A plan for opening a canal communication has been sketched in the appendix to the pamphlet on the ryotwar system, which I drew up for the information of the authorities in this country; and as iron ore is found in great abundance immediately upon the frontier of Malabar, there appears to be every reason to believe that a railroad might be constructed without any very great expense. The commerce of Coimbatore is now shackled by the imposition of an additional custom-duty on its entrance into Malabar. This is a crying evil. Gold has been found on the Nilgherries, a blue mountain of Coimbatore; and is collected of a very pure kind and in some quantities in the district of ‘Wynaad,’ which is immediately below the mountains.”

4769. You have stated your opinion of the native character, as far as you have had an opportunity of observing it, to be generally very favourable; do you confine that opinion to the natives of the district of Coimbatore, or to the Peninsula generally, as far as your knowledge extends?—It is a general opinion, as far as I have had an opportunity of observing it.

4770. You have visited Calcutta and Bombay?—Yes, I have.

4771. Consequently you can speak from your own experience?—Yes, my impression was very favourable, particularly of the Parsees of Bombay.

4772. Would you not be disposed to place as much confidence in the natives of India, as you would in your own countrymen?—Yes, if equally well treated.

4773. Are they not extremely anxious to be raised in the scale of society?—I consider them to be most anxious to be raised, and to feel acutely the depressed state in which they are kept.

4774. Have you not found that feeling to be general throughout India, as far as you have had an opportunity of observing?—Yes, universal, as far as my observation has gone.

4775. Are they not more anxious, in your opinion, upon that score, than even for the improvement of their worldly circumstances?—Yes, I think that is the feeling dearest to their hearts, to be entrusted with that degree

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of power and official emoluments they invariably enjoyed previously to our obtaining possession of India.

4776. Have you not found, where you have placed confidence in natives, it has generally or always been rewarded by a faithful discharge of their duties?—It has been very frequently so. I have had cause to complain, like others, whose confidence has been abused.

4777. Are you not of opinion, that the more they are encouraged, and the more they are admitted into the employment of the government of the country, the more they will improve themselves?—I am decidedly of that opinion; and I should think that the best system that could be established at this moment, would be to entrust all the details of the revenue, and all the original suits in judicature, to natives, leaving the business of control to Europeans; the natives would do the details much more effectually than Europeans.

4778. Would not the situation of European servants in India be most completely helpless without the assistance of the natives?—Yes, entirely so.

4779. So that they may be said to be mainly dependant upon the natives for carrying on the affairs of the country?—I consider the most efficient officers of the government quite helpless without the assistance of the natives.

4780. Do you consider the natives of India a very sensitive race of people, and alive to kindness?—Yes.

4781. And grateful for it?—I think so, certainly.

4782. And anxious to make suitable returns?—Yes, I think so certainly; I speak under qualification here, but fully as much so as any other people with whom I am acquainted.

4783. Is much of the produce of Coimbatore exported?—A very large proportion.

4784. Where is it sent to?—The cotton principally to China; it is taken by the Company.

4785. Is any sugar exported?—Yes, in a rough state; what is called juggary; it is exported by sea.

4786. Is any cotton sent by Madras now?—A small quantity.

4787. In what way was the cotton sent to Madras?—It was collected at Coimbatore, and sent by land carriage, by carts, to Palamcottah, a distance of 180 miles; there it was screened, then sent to the coast of Tinnevely, a distance of 80 miles, making a land carriage of 200 miles; it is then sent across the surf, put into boats and sent to Madras; re-embarked at Madras, and again sent across the surf, and kept there until the arrival of the China ships; it is then reshipped across the surf for China.

4788. This occasioned, of course, a great increase of price?—Yes, and it has caused the abandonment of the trade.

4789. Would

4789. Would it not be cheaper to ship it from the Malabar coast?—Yes, certainly. 1 Sept. 1831.

4790. How is the cotton purchased by the Company?—It is taken by close contract, not an open contract. *J. Sullivan, Esq.*

4791. Was the market open?—Yes, entirely.

4792. Are all the cultivators of land meerassadars?—All the proprietors of land are.

4793. What proportion do they bear to the cultivators?—I cannot state that; I will ascertain it.

4794. Are there any hereditary occupants who are not proprietors?—All the occupants are recognised by the government as proprietors; they have free leave to sell or mortgage.

4795. Is there any hereditary class similar to that in Bengal called the khood-caste?—No, there is not; there is nothing analogous to it.

Jovis, 15^o die Septembris, 1831.

THOMAS LANGTON, Esq. again called in, and examined.

4796. HAVE you considered the observations made on your evidence by Mr. Melvill, in his examination on the 30th of August last?—I have had an opportunity of perusing his evidence since it was printed, and I have considered it attentively, but I regret that I have had so little time to arrange what I have to observe in reply; if I had had one-fourth of the time that I have waited for Mr. Melvill's coming forward, my evidence might have been in a more suitable state for the Committee. 15 Sept. 1831.
T. Langton, Esq.

4797. Mr. Melvill, in answer to Question 4433, previous to going into any examination of the accounts prepared by you, makes some general remarks on the subject of them; have you anything to observe to the Committee relative to those remarks?—Mr. Melvill quotes different Acts of Parliament in which the debt in India is mentioned as being a territorial debt; he infers from these that the question, as to the origin of the debt, has been long settled by competent authority, and that all discussion on the subject must now be useless, unless it be intended to revise all former decisions of Parliament upon the subject of the Company's accounts. Mr. Melvill must surely recollect that it is entirely owing to his own evidence on the 7th June last year, (5671 of 1830) in which he reverted to the transactions of the earlier periods of the Company's mixed territorial and commercial character; that the subject has been taken up by me. His assertions

15 Sept. 1831. *T. Langton, Esq.* assertions on that occasion have appeared so much at variance with the inferences which have been drawn by those equally competent at least to judge of the subject, I mean the Committees of Secrecy of 1783 and Select Committee of 1811, that the well-known expressions in the Acts alluded to, whatever may be the conclusion drawn from them, ought not to be a bar to a review of the facts on the occasion of the pending inquiry.

4798. Mr. Melvill, at the close of his reply to Question 4433, states his opinion that the commercial branch has never had full justice done to it in the accounts; do you conceive there is any ground for that remark?—If full justice has not been done to the Company, the fault can only lie with themselves, with whom the preparation of the accounts entirely rest. In reply to the question, I must however say, that I have seen nothing to change the opinion expressed by me, in my reply to Question 2927, that a decided disposition to relieve commerce at the expense of territory is apparent in the accounts.

4799. Mr. Melvill, in answer to the same question, expresses an opinion that you put a construction upon the language of the Second and Third Report of 1810 and 1811 which the passages quoted by you do not admit of; have you anything to observe on this head?—I remain fully persuaded, that whoever will attentively compare the two last pages of the Third Report with the quotations by me, (from 2906 and 2908), will admit that they will bear no other construction than that which I have put upon them, whether the Acts of 1812 and 1814 be in conformity with them or no; and the inference which Mr. Melvill draws from the balance of supplies, stated near the close of the Report, is vitiated by the adjustments, which are pointed out as requiring to be made in the very next paragraph.

4800. Mr. Melvill has also expressed a decided opinion, that the Company's commerce was in a flourishing state previous to their being engaged in warfare; have you any observations to make upon that?—It does not appear to me to bear much upon the question. I do not dispute the fact, and believe even that for many years the departure of the Company from their commercial character, and their connexion with the territory, was very unfortunate for both interests; but I think it may well be doubted whether, without that connexion, the proprietors of India stock would have enjoyed uninterruptedly, for near forty years, dividends higher than they ever shared before the acquisition. The control exercised over the Company by the Legislature, though its interference and claim to participation were greatly complained of, probably saved them from ruin, and to its forbearance in later years they owe the greatest part of their present capital.

4801. Mr. Melvill states, in answer to Question 4443, that you have deviated from his arrangement of periods, and omitted some years; what was the cause of your not following exactly his arrangement?—The accounts from

from which I drew mine give the years for Bencoolen and China, in conjunction with those for the presidencies, in the way I have stated them. The reasons for this I cannot explain, and have merely conformed to what appears to have been practised generally by the Company with regard to those two places. With regard to the year 1780 being omitted in my account, both statements embrace the same length of time up to 1778-9, which the accounts state to be as late as they can be made up to. I take the surplus actually drawn from the revenues for the same years, in which the supplies from Europe are furnished; Mr. Melvill's account takes the net proceeds for which the investment, purchased with that surplus, sold in England in the year following, and the supplies from England in that preceding. With regard to the second period, I have stated (2904) the source from which I framed the account, and Mr. Melvill must know that the extracts in this compendium only commence with the year 1781-2; and as to the omission of the last year, Mr. Melvill, in his division, names 1793 merely (not 1793-4), I therefore concluded 1792-3 was meant, and that his third period commenced at the same point as the inquiry of the Select Committee of 1810.

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4802. Mr. Melvill (4444) states that you (at 2876 of your evidence) attached a higher character of authority to the documents from which you had drawn your accounts than to those to which his evidence (at 5671 of 1830) referred. But he says the documents referred to by him were Parliamentary documents, and that they were examined and sanctioned by a Committee of the House of Commons, in a Report of the 12th March, 1783, in which it is stated, that, after what the Company had received from the revenues, and paid to Government, they were left in disburse, on account of the wars by which the territories were acquired, to the amount of £3,616,183 besides interest. He further refers the Committee to two Acts of 23 Geo. III, wherein it is declared that the Company's embarrassments are owing to the wars and hostilities in India and Europe. Mr. Melvill then states, that Parliament adopted and acted upon the statements of the Committee, at a time when the Company's accounts were subjected to a most rigid scrutiny by some of the most clear-sighted statesmen of the day, and are more to be relied on than those you have prepared after the lapse of half a century, when the accounts which you have followed were all before Parliament. What observations have you to make upon that statement of Mr. Melvill?—If I had no other grounds for the views I have sought to impress on the Committee than the accounts I have presented, I might be reduced to abandon them as untenable; but as those views do not depend on, but only receive corroboration from the accounts; as they are confirmed and borne out by the Report of a Parliamentary Committee, the Committee of Secresy, sitting at the same time with that Committee which Mr. Melvill refers to; and as Mr. Melvill himself describes the persons composing that Committee, to which I am in a great degree indebted for my opinions, as composed of some of the most clear-sighted statesmen of the day, I see no reason

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reason to give them up. I must request the Committee to permit me to contrast the two Committees, and the objects for which they were appointed. In consequence of the embarrassments of the Company, the Committee of Secresy was appointed in 1782, to inquire into the whole of the Company's affairs, and into the causes of the difficulties under which they laboured; this Committee was to sit at the India House, to examine papers and persons, and to adjourn, as to time and place, at its discretion. Its inquiries were most minute, and its Reports included every branch of East India affairs. Its Ninth Report more particularly embraced the subject in question, and the views it holds out of the origin of much of the early debt are conformable with those which I stated in 2889, but expressed in much stronger language than would be proper for me to use before the Committee. I might fill many pages of your Minutes with extracts from these Reports, in confirmation of my assertion, and I hope to be permitted to quote a few passages in corroboration of it. But the Committee of Secresy, notwithstanding the opinions to which I have alluded, was not opposed, I believe, to the Government interposing to relieve the distress of the Company at this juncture, yet its Reports would have afforded but an awkward ground-work for the relief which it was intended to give; and the petition of the Company, presented on the 5th March, must, I suppose, have been intended to lay the foundation for those Acts, which were eventually passed for the purpose, and to which Mr. Melvill has alluded. The petition presented on the 5th March, 23 Geo. III., was referred to an open Committee, which reported on that day week that the allegations of the petition had been proved by the officers of the House, and on the 2d July, 1783, Resolutions were adopted, recommending certain measures of relief, which the Acts of 23 Geo. III., c. 36 and 83, enacted. As the foundation for these Acts, I admit that the petition, Report and Resolutions above described were most appropriate steps; but when the object is to inquire, after a half century has gone by, into the effects of the transactions of those times on the present relative situations of the two branches of the Company's affairs, I submit they must be very unsatisfactory, especially when the deliberate opinions of the Committee of Secrecy, formed after such an investigation as has been described, might have been resorted to by Mr. Melvill, if they would have suited his purpose. If I may be permitted, I should wish to quote a few extracts from that Ninth Report, in confirmation of those observations. In the Ninth Report of the Committee of Secresy, made on the 25th of June 1783, it is said, "A new way of supplying the market of Europe, by means of the British power and influence, was invented; a species of trade, if such it may be called, by which it was absolutely impossible that India should not be radically and irretrievably ruined, although our possessions there were to be ordered and governed upon principles diametrically opposite to those which now prevail in the system and practice of the British Company's administration." Again, it is said, "But with all these endeavours of the Presidency, the investment sunk in 1769, and they were

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were even obliged to pay for a part of the goods to private merchants in the Company's bonds, bearing interest. It is plain that this course of business could not hold." Then it is said, "Notwithstanding the famine in 1770, which visited Bengal in a manner dreadful beyond all example, the investment, by a variety of successful expedients, many of them of a most dangerous nature and tendency, was forcibly kept up, and even in that forced and unnatural state, it gathered strength almost every year. The debts contracted in the infancy of the system were gradually reduced, and the advances to contractors and manufacturers were regularly made, so that the goods from Bengal, purchased from the territorial revenues, from the sale of European goods, and from the produce of the monopolies, for the four years which ended with 1780 (when the investment from the surplus revenues finally closed), were never less than £1,000,000 sterling, and commonly nearer £1,200,000. This £1,000,000 is the lowest value of the goods sent to Europe, for which no satisfaction is made." To this there is the following note: "A sale, to the amount of about £100,000 annually, of the export from Great Britain, ought to have been deducted from this £1,000,000." It is subsequently said, "Your Committee find that there has also been at Madras an investment on the Company's account, taking one year with another, very nearly on the same principles, and with the same effects, as that from Bengal." The whole of the following section on the internal trade of Bengal is very important, but I wish to quote only one of the last paragraphs of it: "Your Committee are of opinion, that the Company has now arrived at that point, when the investment from surplus revenue, or from the spoil of war, ceasing, it is become much more necessary to fix its commerce upon a commercial basis, and this opinion led your Committee to a detailed review of all the articles of the Indian traffic upon which the profit and loss was steady; and we have chosen a period of four years, during the continuance of the revenue investment, and prior to any borrowing or any extraordinary drawing of bills, in order to find out how far the trade, under circumstances when it will be necessary to carry it on by borrowing, or by bills, or by exportation of bullion, can be sustained in the former course, so as to secure the capital and to afford a reasonable dividend. And your Committee find, that in the first four years the investment from Bengal amounted to £4,176,525; upon £2,260,277 there was a gain of £186,337, and upon £1,916,248, a loss of £705,556; so that the excess of loss above gain upon the whole of the foregoing capital was, in the four years, no less than £519,229. If the trade were confined to Bengal, and the Company were to trade on those terms upon a capital borrowed at eight per cent., Indian interest, their revenues in that province would be soon so overpowered with debt, that those revenues, instead of supporting the trade, would be totally destroyed by it. If, on the other hand, the Company traded upon bills, with every advantage, far from being in a condition to divide the smallest per-centage, their bankruptcy here would be inevitable."

4803. Do you think Mr. Melvill has any authority for considering the sums spent in the wars, namely, at £5,069,684, as a debt owing to the trade?—

4 X

I think

15 Sept. 1831. I think he has not ; and, with the permission of the Committee, I will state my reasons for that opinion. It is stated in the Report of the Committee, on the 12th March 1788, that Government had unexpectedly made a demand on the Company in of £634,645, on the ground of that amount being yet due to make up the three-fourths of the net profits realized by the Company. It appears from this circumstance, that though the sum of £400,000 is named in the Act of 7 Geo. III., as what was to be annually paid in participation, this was the proportion of those net profits to which Government asserted their claim. In the Act of 21 Geo. III., the same proportion is again reserved in granting to the Company the possession of the territories and revenues for ten years ; and when, in 1788, the Company in their petition, amongst other things, beg that the term may be prolonged, they allege, as a reason why the public should not object to a long term, that they can never require more than three-fourths of the profits of the territory. If, therefore, Mr. Melvill's assumption that the £5,069,684 spent in the wars, is to be looked on as a debt due from the territory to the Company, and that only the one-fourth remaining to them, after the three-fourths to Government were paid, was to be considered as the portion liquidated, it would follow that this territory, which is never spoken of as a conquest, but sometimes as a cession and sometimes as a grant, was to be virtually charged, immediately on its acquisition, with a debt of twenty millions, liable, according to Mr. Melvill, to interest on one-fourth of what remained unpaid, a proposition so monstrous, that, even were it sanctioned by an Act of Parliament, every feeling of justice would revolt at the idea. But it has never received such a sanction ; and the fact is, that in no one of the many petitions the Company have preferred to Parliament for assistance and forbearance in their difficulties, and in which petitions their various grievances and merits are detailed, in no one of the Acts of Parliament which have been passed to relieve them and regulate their affairs, nor even in their petition of the 5th March 1788, nor in the Report thereon of the 12th March 1788, quoted by Mr. Melvill, in 444, has this outlay been spoken of in terms which indicated that it had ever entered into the imagination of any one to consider it as a debt due from the territory of India, till, on the 7th June 1830, Mr. Melvill chose to represent it in that light.

4804. What do you mean by twenty millions ? — The amount which they have spent is five millions, but the Government claim to have three-fourths of the net revenues ; therefore, whenever they took any money from the net revenues, the Government claim to have three-fourths of it, and consequently twenty millions must be paid before the Company got their five millions.

4805. You mean that whenever revenue became surplus, the Government would have claimed their proportion of it, and that if the Company had been repaid the five millions, the Government would have received fifteen millions ? — Yes ; that is the principle upon which the thing proceeded at that time.

4806. Was

4806. Was there at that period any public understanding that the Government should have three-fourths of the surplus?—In 1767 is the first Act, and the terms of the Act are, that Government shall have £400,000 annually. Only £400,000 is mentioned; but in 1781, after the payments had been suspended for some time, they came upon the Company again with a claim of £634,645, upon the ground of that amount being yet due, to make up the three-fourths of the net profits realized by the Company. They had had £2,169,000, but the Company had realized £3,616,000, therefore there was still wanting to the Government £634,645, in order to make up their three-fourths, from whence I infer that the understanding was that it was to be three-fourths. There was a negotiation, and finally the Government agreed to take £400,000 in full of the claim of £634,645, of which £300,000 was paid, and £100,000 remained unpaid. In answer to Question 4446, Mr. Melvill states it as a mistake of mine, that I consider it unjust to claim as a debt from the territory the amount paid to Government for permission to appropriate the surplus territorial revenue, and adduces as a proof of my error, the provision of the Act of 7 Geo. III., that the amount payable to Government should be reduced in proportion to any loss of the territory that might be sustained, which I think has no bearing on the question. It is obvious that if the Company should hereafter be dispossessed, either wholly or in part, of the country from which the net profits were to arise, in which Government asserted a right to participate, the share of the public therein ought to be diminished in proportion to the loss of revenue sustained, which is all that can be meant by the clause of the Act of 7 Geo. III., referred to. But so far from making this claim on the territory of India, the Company, in their petition of the 5th March 1783, point out another party as the debtor for a portion of this £5,069,684, an undefined portion, it is true, but from the mode of expression, it might be inferred that the greater portion was intended. After describing the troubles in India arising out of the European wars, in which the expenses sustained by them out of their trading stock had amounted to the above sum, they proceed: "And the petitioners beg leave to submit to the House, that in respect of so much of this expenditure as related to European wars, the petitioners should have been indemnified by Government." The petition goes on, "and as to so much as respected the mere Indian wars, which produced the cession of territories and revenue, the petitioners conceive it must be allowed, that if the Company, in obtaining the revenues, acted as agents of the State, they ought to be reimbursed their expenses as agents, and that the State ought not to avail itself of the benefit of the acquisition, without first making a satisfaction for the expenses." This is not like a claim on the territory for the whole amount, with interest. The petitioners, great as they describe their distress to be, ask for no permission to draw more freely on the revenues of India, or to mortgage even their fourth part of the net profits of those revenues; they beg that so much of the £2,169,398 18s. 2½d. paid in participation, may be restored to them, as will enable them to go on with their affairs; or if that is not conceded, that the £300,000 last paid may be given back, or at least, that they may

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15 Sept. 1831. be released from the payment of the £100,000 still remaining due ; and if no other means of relief is granted, that they may be allowed to increase their bond debt ; but of a debt due from the territory to the trade not a thought is breathed. The surplus revenues of India were left in the possession of the Company, subject to their paying over three-fourths thereof to Government ; but the Acts of the 13th, 19th, 20th, and 21st of Geo. III., which renew this grant, pointedly describe the thing granted, not as the gross revenues, but as the *clear profits of the territorial acquisitions and revenues, after defraying the charges and expenses attending the same*, and beyond this no right over the Indian revenues ever appears to have been conferred on them. These limitations of the rights of the Company over the Indian revenue are not only inconsistent with the notion of a debt, chargeable on it at its acquisition, but they appear to me quite decisive as to the commercial character of the loans for investment, during the period in which a surplus revenue is admitted to have been realized. Another consideration is not to be omitted. The legislature has, from the year 1767, always asserted the rights of the crown to the territorial acquisitions of the Company, the possession of which has only been continued to them for terms of two, five, three, one, ten, and twenty years. It would be ridiculous to suppose that the possession granted for two years in 1767, and the permission to take the net profits of the revenue for that time, on the payment of £400,000 yearly to Government, could entitle the Company to charge the territory with a debt of five millions sterling ; and if they had not then the right, nothing which has subsequently taken place could give it them. It is perhaps unnecessary to argue longer against so groundless a pretension ; but as it is now asserted so confidently, and as on the assumption that it is proved or admitted depends entirely the computation of £186,849,452 at pages 420-424,* as well as the denial of what appears to me to be proved, *viz.* that if not the whole, at least a great part of the debt in 1780 was decidedly commercial, I would not omit to mention what I think is decisive as to the point in question.

* Page 651-657.

4807. Do you mean by surplus revenue, surplus over the whole Indian expenditure?—Clearly ; it is in several Acts repeated, in the same terms ; it says, the clear profits of the territorial acquisitions and revenues, after defraying the charges and expenses attending the same.

4808. Do you mean to say that the home charges are taken into consideration?—I have no doubt that they are.

4809. Having gone through that Report particularly, have you found any notice of the expenses taken at the India House in the settlements they make?—I have not noticed them : Mr. Melvill does notice them, and points out where I ought to have seen them. Certainly they are very voluminous, and I have not been able completely to look through them ; but the home charges are in fact included in the earlier part, that is to say, the expense of raising and transporting troops, and certain other expenses.

4810. You

4810. You are aware that Mr. Melvill, in answer to question 4489, when one of those quotations from the 9th Report was read to him, admitted that immediately after 1765 the demand for remittances from India was excessive; but states, that their produce was applied to pay the Government £400,000 a year, and the remainder to reimburse, so far as it would go, the debt previously owing to the trade; and that (4477) he described all such investments as being required to defray the territorial payments in England. What have you to object to these statements?—Mr. Melvill assumes as a debt previously owing to the trade, what I think he has no authority for considering in that light. The amount of investment stated in the quotation, £1,200,000, a magnitude which it is said to have reached in both the last years of Mr. Melvill's first period, is expressly stated to have been in part effected by loan; now, as the territorial payments in England, by Mr. Melvill's own statement, are charged in the account which shows the realization of a surplus revenue in that period, his answer to 4477 cannot apply to this loan, which must, I think, be admitted to be commercial.

4811. You contest the right of the Company to consider the sums spent in war previous to 1765 a debt due from territory to trade; are you of opinion that the Company have been in any other way compensated for the money they disbursed in those wars?—I am of opinion that if the Company were not rather unreasonable, they would consider the money spent in those wars well laid out, and that those sums have brought them greater returns than any they ever laid out in a mere mercantile speculation. The immediate relief to the Company from the whole of the expenses of their establishments at the several presidencies and settlements is not denied by Mr. Melvill, and the prime-cost invoices of the investments and cargoes to Europe from India has already been mentioned as a proof that the whole of the commercial establishments at the presidencies and at the factories were defrayed out of the revenues. The increase of their power freed them from all dangerous interference of their former rivals in the Indian commerce; their trade was more secure, its field more extended; it was relieved from the payment of duties, which all their competitors had to pay. Mr. Melvill states this last item to have amounted to £47,000 annually since 1814, from which period their commerce has been again charged with them; but from 1765 to 1814 they had this advantage over all competitors, when the duties were considerably higher, and their own commerce much more important than it has been of late years. Here is a Statement of what the duties were in 1813 and after 1814, which will shew that they were very considerably higher than in the latest period, during which the duties annually amounted to about £47,000, so that this advantage alone, if computed with interest by Mr. Melvill, would materially reduce the amount of his Statement at p. 420.* Mr. Melvill states (4481) that this exemption from duties was a grant from the Mogul; it has been obtained, therefore, by the same means as the grant of the Dewannee, and is quite an appropriate set-off to the expenses of the war.

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* Page 651.

STATEMENT showing the Rate per Cent. paid on (Goods) the IMPORTS and EXPORTS of CALCUTTA, under British and Foreign Bottoms, for the Years 1813, and 1814 to 1830.

| I M P O R T S. | | | | E X P O R T S. | | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|----------------|------------------|------------------|------------------|---------------------|
| — | 1813.* | | 1814 to 1830. | | — | 1813.* | | 1814 to 1830. | |
| | British Bottoms. | Foreign Bottoms. | British Bottoms. | Foreign Bottoms. | | British Bottoms. | Foreign Bottoms. | British Bottoms. | Foreign Bottoms. |
| | Per-Centage. | Per-Centage. | Per-Centage. | Per-Centage. | | Per-Centage. | Per-Centage. | Per-Centage. | Per-Centage. |
| Cotton Piece Goods | 7½ | 15 | 2½ | 5 | Indigo.. | .. | 10 | free | 5 |
| Cordage .. | 5 | 10 | free | 2½ | Cotton Wool .. | .. | free | free | 12 annas per maund. |
| European Goods, } generally | 10 | 20 | 2½ | 5 | Piece Goods .. | .. | 2½ | free | 2½ |
| Iron, raw or ma- } nufactured | 10 | 20 | free | 2½ | Raw Silk .. | .. | free | free | 7½ |
| Lead .. | 10 | 20 | free | 2½ | Saltpetre .. | .. | 5 | free | 7½ |
| Tin .. | 10 | 20 | free | 2½ | | | | | |
| Tutenague, or } Spelter.. | 10 | 20 | free | 2½ | | | | | |
| Marine Stores .. | 5 | 10 | free | 2½ | | | | | |
| Woollens .. | 5 | 10 | free | 2½ | | | | | |

* The rates of duties varied previous to 1814, and a correct statement of them could not be given for the whole period, from 1765 to 1814, except by a special Return from the India-House.

The great increase of valuable patronage which increase of territory generally brings with it, is also an advantage not to be despised, still less the long-continued enjoyment of a higher rate of dividend than they ever shared before 1765. I consider these advantages as ample compensation for all their outlay, though I believe they are not the whole of what might be enumerated. I think also it may well be doubted, whether the whole of the £5,069,684 should be considered as expense of war. Commerce, in turbulent times, is carried on at a much greater risk and expense than in seasons of peace, but also with much greater profits to counterbalance the risk and expense. The Company's commerce, during these wars, must have been in this predicament, and the imports invoiced, as in the second Account, at p. 251,* will have sold much more advantageously than in a time of peace, whilst the increased expenses in India are all thrown on the war account, and the commerce charged only as during the peaceable period from 1780 to 1745.

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* Page 384.

4812. Would not the dividends of the Company have been much greater before 1765, if the expenditure for the territory had not taken place?—I cannot, of course, give any positive answer upon that subject. The dividends were reduced, I believe, in 1755. From that time up to 1765 they were at six per cent., therefore, for ten or eleven years before the acquisition of the Dewannee they had been at six per cent.; they were afterwards raised to ten, if not twelve per cent. I have made an extract, from which it appears that the additional dividends which they received during that period, above what the rate of the dividends had been for the ten years previous to the acquisition of the Dewannee, amounted to about a million; that is, that the proprietors, during the fifteen years after the acquisition of the Dewannee, received near a million more of dividends than they would have received, if the dividends had continued at the rate they were at for the ten years previous.

4813. Have you made any calculation if that five millions and odd had been divided amongst the proprietors in dividends, instead of having been expended for territory, what the dividends would have been?—Certainly not.

4814. In answer to Questions 4445 and 4446, Mr. Melvill states the difference between your and his statements of the account from 1765 to 1780 to be £4,662,295; do you admit that to be a correct statement of the difference between you?—The difference, as a matter of account, between us is that between £6,115,979 and £3,622,969, or £2,493,010, arising in part from two errors, one of which, the home charges, by a more intimate acquaintance with the several Reports and Appendixes, might have been avoided; but I had had few opportunities of consulting these till after I had given my evidence, as will appear from my not having seen the territorial receipt in England for the expedition to the Manillas; and the account at page 252,* which Mr. Melvill says ought to have led me to these charges, I had only had a transient inspection of in the Journal-office, till I saw it printed in my evidence. The amount stated by Mr. Melvill may be correct, or at least near the mark; for I can discover no accounts, except from 1769 to

* Page 386.

15 Sept. 1881. *T. Langton, Esq.* to 1772, and I presume it is by an average from these that Mr. Melvill takes the amount. In this amount, however, I must admit my estimate to be over-rated; as to the other error, if it is one, for Mr. Melvill does not appear to be very certain of his facts, it is one into which I could not help falling, and even after Mr. Melvill's explanation, I must say it is scarce conceivable that losses or gains, by batta or exchange, when occurring in territorial payments and receipts, should be passed into accounts containing commercial gains and losses, and the nominal amounts only be entered in the territorial receipts and disbursements. These losses and gains by exchange, owing to the state of the coinage, must have equally occurred in the commercial transactions, and such losses and gains, when classed with gains and losses *at factories on Indian goods, &c.* as is the case in these accounts from 1765-6 to 1778-9, would be in their proper place. If some part, however, of this head of loss be territorial, there is no ground stated by Mr. Melvill for considering it as entirely such, nor any reason shown why I should give commerce credit for the gains on European goods, and neglect the losses on India goods, and at the factories. Both these errors, even if the latter be taken to the full extent claimed by Mr. Melvill, will not bring the accounts to correspond, nor will the difference be made to disappear by assimilating the Bencoolen and China years with those at the presidencies; or by taking the previous year for the supplies from England, as is done in Mr. Melvill's account: a greater amount will still appear to have been drawn from the revenues than the committee of proprietors admit to have been realized in England. Perhaps as there was always, according to the Ninth Report, a loss on the transmission of the investment, the difference may be owing to that cause. In reply to Question 2925, I said I was far from supposing there might be no errors or oversights in my statements, and it would be presumptuous in me to expect that none would be found; neither of these, though they may prove me to have over-rated the amount drawn from the territory during this period, affect the principle for which I contend. Surplus revenue, to a considerable extent, has been drawn from the territory, and though, from the claim of Government to three-fourths of it, the commerce may not have been aided to the full amount, the territory has undoubtedly been so burthened. If, as I conceive, the opinion that the £5,069,684 is a debt on the territory be altogether untenable, the question of aid from one branch to the other can only date from the commencement of the connection. I do not, therefore, admit the difference of £2,169,398 between Mr. Melvill and me to be an error on my part, as I only stated the amount drawn from the revenue, not what was netted by the Company.

4815. In answer to Question 4448, Mr. Melvill states that since 1765 the commerce has been charged only with expenses strictly commercial. He admits that from the transfer of political charges the commerce was relieved, but that on the other hand the territory has paid nothing to commerce for the use of the sums previously expended in the acquisition of the territory. What have you to remark on these points, and on the computation of interest at

at p. 420*, from 1751-2 to 1813-14, and from that time to May 1831?— From the exports from India being stated in the accounts to be invoiced at prime cost, while those from England are stated to be invoiced with 10 per cent. laid on, I think that commerce cannot have been debited in India with any charges whatever, political or commercial, from 1765 to 1778-9, whilst a portion of the English expense, in the charge of 10 per cent., has been borne by the territory; and as to the second point, it is difficult to suppose Mr. Melvill can be serious, when he talks of the territory paying nothing for the use of monies expended in wars, the result of which might as probably have been their expulsion from the province of Bengal, as the grant of the Dewannee. In this calculation, too, it may be observed Mr. Melvill debits commerce with the annual charge of the establishment up to the present time on the scale at which it is stated to have been between 1730 and 1745, a scale which the expenses have probably always exceeded since 1765, and which is only a small proportion of their present amount; but what the present scale is cannot be stated, as the return of the Bengal commercial establishment has not been furnished.

4816. Mr. Melvill, in answer to Questions 4451 to 4457, says that when you would throw the debt at the period of the territorial acquisition on the trader, you should have given credit for the territorial assets at that time; and that, though you may not have found any clue to their amount, you ought to have inferred, from this feature in the accounts investigated by the Select Committee in 1811, that there was a deficiency to be supplied as respects the assets of 1765. Do you admit the justice of Mr. Melvill's remark, and do you allow this to have been an oversight on your part?— Mr. Melvill states these assets to have consisted of cash and bills, stores and various territorial assets. Of cash and bills I take it for granted the Company received little along with the territory; and if they had, I should not consider it a fair set-off to a debt that was of a commercial character. A cash fund no doubt must have existed to go on with the concerns of the Company if they had been merely of a commercial character, and still more when they were engaged in warlike enterprises; but as in the year of the acquisition a loan of £157,148 was contracted, I think it probable that this money was borrowed for the very purpose of carrying on the government, and that the funds previously on hand may have been applied to commercial purposes. Of the stores on hand, I should also think it probable that they, along with the importation of the year, would be carried to account as commercial supply; for, on the authority of the Ninth Report, the principal part of the exports consisted, at this time, and up to 1782, of marine and military stores; as for the fortifications, as the greatest part of the expense of them had been incurred during the wars in question, I suppose that expense to be included in the £5,069,684. With regard to the territorial assets generally, from that period to the present time, they have gone on increasing with the increasing possessions in India, but they have been entirely accumulated from territorial funds, and in the earliest period much against the wish of the Directors, who

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4817. In answer to Questions 4458 to 4464, Mr. Melvill contests the correctness of your views as to the state of the Indian finances, and of the country itself, between the years 1780 and 1793 ; what have you to remark upon the statements he makes on this head?—On a re-perusal of my reply to 2904, and those of Mr. Melvill to 4458 and 4463, I think he does not fairly describe my observations, which remain, in great measure, unrebutted. Mr. Hastings might be too anxious to represent India as in a state of prosperity at the time he quitted the government ; but the account of the surplus revenue of Bengal, at p. 258* of my evidence, shows that he was right in his statements on that subject. With regard to the quotation from the Second Report, it certainly only referred to the actual revenues of India, and the Indian charges, but which charges included heavy advances for government. Taking the general balance in 1802, according to my view of the accounts, with interest included, there appears, upon the whole of the account, a surplus of near a million during that period. My remark, that India enjoyed a longer duration of peace from 1784 to 1789 than it has ever done since, he meets by informing the Committee that there was the continued apprehension of war. What I said of the profound peace of Europe he appears to apply to India, though I had myself spoken of the hostilities in the early part of this period. I do not, however, profess to be deeply versed in Indian history ; and I leave my observations, and those of Mr. Melvill, without further remark, to the better judgment of the Committee.

4818. Why do you charge interest in this case in your statement, when in your former answer you do not allow the commerce to charge any interest against the territory?—I have never said that the commerce had not a right to charge interest, with the exception that I did not conceive it due upon the £5,069,000, and Mr. Melvill's calculation, at 4464 of his evidence, proceeds upon the assumption of charging interest upon the sums expended in the wars, even before those wars had reached the province of Bengal, where the first acquisition was.

4819. You said that you did not think interest should be charged for the money that commerce had advanced upon the acquisition of territory, and now you charge commerce with interest for the money that the territory advanced?—I suppose that interest should be charged for the money that the territory advanced to commerce, but in the former case the money expended in the wars was not money advanced to the territory, it was money expended in war, which might have produced no favourable result. In the one case the money is advanced from the one party to the other ; in the other case it is spent, and the other party gets no advantage from it.

4820. Has

4820. Has it not been the usual practice, upon the successful termination of a war in India, to exact some large tribute from the native princes, as a compensation in part or in whole for the expenses of the war?—No doubt, frequently, both in India and in Europe. 15 Sept. 1831.
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4821. Have you, in your inquiry into this period previously to 1765, attempted to distinguish between the wars which were undertaken by the Company for the defence of their commercial establishments, and those which were undertaken with the object of obtaining territory?—I do not suppose that the wars were undertaken in the first instance with the view of obtaining territory. In the petition that has been referred to, of the 5th of March, the whole transaction is related. The war is stated to have begun by sending out frigates to attack the French commerce. I conceive that if the Company had engaged in wars for the acquisition of territory, they would have been very reprehensible indeed.

4822. In answer to Question 4465, Mr. Melvill states that he believes there are no documents before Parliament which would enable the Committee to form a correct estimate with reference to the real state of the finances of India during the second period, but that the account lately produced shows the transactions between the territory and the trade for the whole period; and at 4469 he enumerates several errors or omissions in the account you have drawn out. With reference to the second period, will you state to the Committee in how far you admit your statement to be defective, and if you have any remarks to offer on that presented by Mr. Melvill, will you state them to the Committee?—I must again request the Committee to refer to the description I gave of the materials from which my account was drawn. The Indian revenues and charges alone were before me, and, as far as regarded the home charges, I could take no other course but to estimate them by the nearest years of the following period, which, up to 1796, varied little in amount. With the increasing territories all the charges increased rapidly, and I think it was natural to suppose that their amount, after the accessions of territory at the peace with Tippoo, at which period I took my estimate, would be greater than previous to the war with him. Mr. Melvill says the amount taken by me (that for 1793) was an unusually small year of expenditure; on reference to Appendix 46 to the Third Report, it will be seen that it was greater by £7,993 than the following year. Mr. Melvill institutes comparison of some of these charges in his estimate with those for the same objects, contained in the sum assumed by me for an annual average; of these I could know nothing when I gave my evidence; but I will now also offer one comparison of the whole English territorial charge in his estimate for this whole period, with those from 1793-4 to 1809-10, which latter, from every consideration of enlarged territory and general character of the period, might have been expected to be much the more expensive: the average of the thirteen years, up to 1793, is £313,122 per annum, that of seventeen years, 1793 to 1809-10, is only £291,998, omitting the pay of
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military officers on furlough and retirement, a charge which did not exist in the earlier period. The excess of these charges at the earlier period is scarcely to be imagined. Mr. Melvill says I have made no allowance for increase of territorial assets; I admit it. The amount of these assets at the earlier period is no where to be found; but comparing the amount of cash and bills in 1792-3 with what I should suppose it to have been in 1780, I think the increase must have been very trifling. The amount in 1780 may be estimated, vaguely I admit, from a comparison of the total receipts and disbursements in the account at p. 256* of my evidence. Mr. Melvill says I make no allowance for sums written off and adjustments. I do not know what adjustments may be meant; and as for the sums written off, though I have introduced them into my account of the third period, it is with a strong impression that they have no right to stand there; which opinion, I think, the Select Committee of 1811 entertained, when they placed this item amongst the doubtful ones, and passed it over in the Report in silence. With regard to the increase of debt, I must admit an error, and the only one in which I can accuse myself of negligence: the increase of debt at p. 258*, I have inadvertently stated to be between 1780 and 1792, which should have been between 1780 and 1785, when the debt was at the highest during this period; and I have, in consequence, overlooked a decrease between 1785 and 1792, of £400,000, which would reduce my estimated surplus by that amount; and by taking the year 1792-3 into this period, in which year, by my third account, the balance was in favour of commerce, it will be further reduced by about £420,000, the balance against commerce in the later period being correspondently increased, independent of the interest. As to there having been omissions in the charges, as I had not seen the accounts referred to, I can say nothing about them; nor could the circumstance, if I had met with any notice of it, have served further than to show me, that nothing conclusive could be gathered from the accounts. With regard to the estimate alluded to by Mr. Melvill, I can say little about it. It is founded on a balance of supplies between England and India, commercial and territorial, which I consider must be very inconclusive as to the real state of account. The Indian revenues and disbursements do not come under consideration at all in this account; the money by loan, and the interest of debt paid, are equally unnoticed. The extraordinary amount of the territorial charges paid in England I have already alluded to; and this feature will not fail to strike those who, taking the Appendix 46 to the Third Report before them, compare the amounts in the earlier and later halves of the period of seventeen years for which it includes those charges; the same comparison of the stores exported to the presidencies and settlements in Appendix 35 to the Fourth Report of 1812, will confirm my remark as to the increase of these charges in the later years, when our possessions in India were more extended. The sums paid in participation are again in this account charged as an aid afforded to, or a debt charged on the territory. I will not rest my objections to such a charge on my own opinion, but

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but refer to Appendix 51 to the Fourth Report of the Select Committee of 1812, where a similar payment is ranked amongst the doubtful items. There is one other doubtful item, to which I would request the attention of the Committee. If they will refer to No. 21 of the February Papers, col. 15, they will observe, that from 1809-10 to 1822-23, a considerable portion of the political stores exported, is stated to be included in the Indian charges. Upon reference again to Appendix 35 to the Fourth Report of 1812, they will observe that the last year in that Appendix and the first in the February Papers are the same. If they will add the amounts sent to Bengal, Madras, and Bombay in 1809-10, in Appendix 35, they will find the amount correspond with the gross amount for that year in col. 15 of No. 2 of the February Papers; but they will see that no notice is taken in the Appendix 35 of any part of those stores being included in the Indian charges. Now, from the practice having been constant from 1809-10 to 1822-23, and from its having been actually the case in 1809-10, to the amount of £175,342 I think it is most probable that the same practice has prevailed during the whole of the previous period, to which the Appendix 35 relates, and even for the period of Mr. Melvill's estimate. This would materially affect the result of that estimate, if it should be the case. As for the whole account, it may be all very correct, but it is one totally useless for any purpose of examination or check; for any such purpose it would have been as useful to have presented merely the final balance.

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4823. Have you any observations to make on Mr. Melvill's remarks on your account for your third period?—It is with great diffidence that I should at any time venture to give an opinion on the construction of an Act of Parliament, where the sense was not clear, and the intention of the Legislature not apparent, especially in opposition to the opinions of others; but I cannot refrain from stating, after a careful and attentive perusal of the 107th and 111th clauses of the Act of 1793, that I think Mr. Melvill has very much misunderstood them. The Act of 21 Geo. III. enacts, that the whole clear profits arising from the territorial acquisitions and revenues, after defraying the charges and expenses attending the same, together with all the clear revenues and profits of the Company, after all outgoings, and the payment of the dividends, shall be divided, three-fourths to the Government and one-fourth to the Company. Territorial and commercial clear profits were thus thrown together and divided, and Mr. Melvill seems to understand that the appropriations, by the Act of 1793, were to be made from the same joint fund; but this Act of 1793 *disjoins* these profits. The 107th clause of the Act of 1793 appropriates the surplus arising from the territorial acquisitions and revenues in India; the 111th clause directs the application of the profits of the Company in Great Britain; and Mr. Melvill's reasoning on this subject, though very authoritatively expressed, appears to me quite at variance with the enactments in question. The 107th clause directs that the clear profits of the territorial acquisitions and revenues, after defraying the charges and expenses of collecting

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collecting the same, shall be applied, "in the first place," in defraying all military and marine expenses, European or native, fortifications, &c. ; secondly, in the payment of interest of debts ; thirdly, in defraying the civil and commercial establishments at the several settlements ; and then comes, *fourthly*, in directing the issue of a crore of rupees annually for the provision of investment ; to which Mr. Melvill makes the addition, "out of which the public were to get £500,000 a-year," of which the clause says nothing. As the fourth appropriation could not be carried into effect, it is needless to name any others. The 111th clause disposes of the clear surplus commercial profits thus : first, in the payment of dividend ; secondly, in the payment of £500,000 in discharge of India debt ; thirdly, in the payment of £500,000 into the Exchequer for the use of the public, &c. It appears, I think, clear, that the appropriation of the clear profits from Indian revenue is limited by the three first heads, as in the earlier Acts, where it is merely said, after *defraying all charges and expenses attending the same*, and that the crore of rupees is only directed to be issued to the commercial Boards, in the case of the existence of a clear surplus profit, or in so far as such profit may be forthcoming. Mr. Melvill *twice* describes this as the *first* appropriation, and speaks of it as a sum which India was bound by law to yield to commerce. He then states, as the *second* head of appropriation, the discharge of the Indian debt ; but the Act gives no such precedency to the crore before the discharge of debt, except in so far as the 107th clause precedes the 111th, the one appropriation is directed from the territorial profits, the other from the commercial, and both I consider contingent upon the existence of such profit. Having made these observations on the distinction in the Act between the application of the two sources of profit, I turn to Mr. Melvill's argument, who admits, that in consequence of the obligation to appropriate the surplus in discharge of the debt, commerce should pay interest in the event of that discharge of debt being prevented by advances to it ; yet he says, it is obvious that, under the Act, the first appropriation was the crore to commerce, and infers that interest therefore ought not to be charged. This is the inference Mr. Melvill draws. The conclusion I have come to is, that there is no priority except what is of Mr. Melvill's invention ; that both appropriations are contingent on the existence of profit ; that the Company contending that there has been no territorial surplus, but stating that there has been a very considerable commercial one, the obligation on them to discharge debt from the latter remains in force, whilst the want of effects cancels the other obligation ; but instead of this, the Company have not redeemed debt from their commercial surplus profit, but they have, in the earlier part of the period, withdrawn funds from India which India has been obliged to replace by loans on interest, for which interest, as far as the abstraction of funds extends, I consider commerce should be answerable to territory.

4824. Do not you suppose that when the Legislature made those enactments, they considered that the £500,000 might proceed from the profits that

